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FBIS-LAT-92-134 *13 July 1992*

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Panama

Panama City TV reports President Endara, reacting to the U.S. federal court sentence of Manuel Noriega to 40 years in prison, claims the "Panamanian people have received the news...with great relief" for the decision "closes a painful chapter" in Panama's history. Noriega's "sad experience must be a lesson for current and future generations." The "sentence is long enough," Endara stated, because in 40 years Noriega "will be a human wretch, and nothing can be done by a man of 94." Endara also stated the "act of justice" was "an imperfect one" because Noriega "should also pay for all the...human suffering he inflicted on Panama."

In an interview with Panama City TV, Attorney General Cruz remarked that "Panamanian law allows a person to be tried in absentia" and that is "what we have been working on." Cruz claimed Noriega "will soon be tried in Panama on several charges, even though he is not here."

Cuba

The morning session of the ANPP discussed the draft law of modifications to the Constitution and "approved with a few amendments the preamble and three articles of Chapter 1," according to Havana radio. The deputies approved Article 5, which states the Marti-Marxist-Leninist Communist Party is the "organized vanguard of the Cuban nation and the highest guiding force of the society and state." Havana TV reports during discussion of Article 12 on "the intervention of one state in the affairs of another," "armed aggression, economic embargo, and economic and political coercion" were "condemned." "Physical violence against persons residing in other countries" was also condemned and the conclusion was reached that some countries, "like the United States,...try to give legal value to an action that is really interference."

Colombia

Santa Fe de Bogata radio reports President Gaviria on 10 July issued a decree declaring a state of "internal disturbance" until 2400 16 July and has issued "drastic measures to prevent the large-scale release of criminals under the new penal code." Santa Fe de Bogota TV on 10 July carries a live speech by Gaviria in which he explains his decree. He states, "I have no doubt this is a necessary decision to guarantee coexistence and national public order for citizens." The decree is to prevent the release of "hundreds of murderers and criminals" which is being sought through the extension of "provisions of the new Penal Code on provisional freedom into the so-called jurisdiction of public order." Gaviria states, "As long as I am president of the Republic, I will do everything in my power to prevent a malicious lawyer from discovering and manipulating a clause in order to bring about the release of persons accused of acts as atrocious as those I have mentioned."

Ecuador

Quito radio reports President-elect Sixto Duran Ballen has announced his new cabinet. Of the seven ministers named so far, six "have ties to the business world and have large fortunes."

Brazil

O GLOBO reports that individuals believed to be PC's figureheads in the United States have been "keeping a low profile." The report adds: "They have even decided not to appear in public." In another report, O GLOBO states that President Collor's former private secretary, Claudio Vieira, has been using Farias' telephones for more than two years. The telephones are "installed in the home of Claudio Vieira...and they are on the list of seven telephones registered in the name of ECP...," a company which belongs to PC. In a related article, O GLOBO reports that Vieira is under investigation "for his external indications of wealth and a public declaration in which he assumed responsibility for the bank account of Ana Acioli."

Rio de Janeiro TV reports that Collor thanked President Bush "for his interest and support given" during the negotiations with the creditor banks last week. In another report, Rio de Janeiro TV stated that foreign debt negotiator Malan said the agreement does not represent "a solution to our problems. The fundamental problems continue because they are domestic front problems." Malan did believe that the agreement "...represents significant help in this process."

Peru

Lima TV carries an interview with President Fujimori in which he is asked to "shed some light" on electoral processes. Fujimori states that if the country is "unclear" about electoral matters, it is because "the political groups that have lost their political presence have generated this fog." Fujimori says two elections are to be held in order to "promote the participation of all the citizens, and especially the participation of independent citizens." Fujimori adds that the reason for the debate and "media distortion is the fear that independent citizens will participate." Fujimori discusses the issue of proportional representation, whether the elections will include "a sole electoral district, a departmental one, or a regional one," and how minority representation is to be guaranteed. Fujimori states, "This is a new experience. That is why we are picking up the legislation of other countries, where there is this electoral process by multiple districts."

Cuba

National Assembly Considers Constitutional Change

FL1007204192 Havana Radio Reloj Network in Spanish 1932 GMT 10 Jul 92

[Text] With the participation of Commander in Chief Fidel Castro, the morning session of the National Assembly of the People's Government [ANPP], which is discussing the draft law of modifications to the Constitution, approved with a few amendments the preamble and three articles of Chapter 1. Chapter 1 refers to the political, social, and economic foundations of the state, and it states that Cuba is an independent, sovereign socialist state of workers organized as a unitary and democratic republic.

The deputies approved Article 5, which states that the Marti-Marxist-Leninist Communist Party is the organized vanguard of the Cuban nation and the highest guiding force of the society and state. The modifications to the preamble, which sets forth the historical foundations of the Cuban nation, were approved at the morning session of the ANPP.

Castro Addresses Development

FL1107182692 Havana Radio Rebelde Network in Spanish 1700 GMT 11 Jul 92

[Excerpts] With the participation of Commander in Chief Fidel Castro Ruz, the ANPP today began its session with an analysis of Article 19 which recognizes the property rights of small farmers over the lands that legally belong to them. [passage omitted]

After numerous comments from the deputies regarding the last paragraph of Article 19, Commander in Chief Fidel Castro expanded on the subject.

[Begin Castro recording] If we are going to be objective, if we are going to be fair, if we are going to speak the truth in the Constitution, I believe that the comrade was right when she said that there is enough impetus, and I interpret what (?Lobo) said differently. If [the word] impetus is not included, neither can [the word] development be. They are almost the same, but objectively, contributions are not made to development. It is not the same as to contribute to the economy. It is fairer to say that they contribute to the economy because they really do contribute to the economy, to the food program. But our agricultural development cannot be based, nor will it be based on small farmers' production. [end recording]

The draft law of modifications to the Constitution being discussed and debated since yesterday by the ANPP deputies attending the sessions proposes modifications to 34 articles and the updating of another 42 of the 141 articles of Cuba's present Constitution. All the modifications contained in the draft law of modifications to the Constitution are being debated here in an intense and rigorous parliamentary exchange.

Castro Remarks on 'Integration'

FL1107143092 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 Jul 92

[Excerpts] [passage omitted] Clause C of Article 12, for example, referring to Latin American integration, states that this should not occur out of vocation, but out of desire. In addition, however, it is essential to call it by its true name: that is, political and economic integration.

[Begin Fidel Castro recording] The governments do not take it upon themselves. The peoples are not educated. The peoples are often educated in jingoism not in integration, in national conflicts over borders and such things. Unfortunately, we must create awareness of this. It is not a question of their having an awareness of the need to integrate with us, but rather of integrating among themselves. We are the ones who have the awareness and the will to integrate, to seek ways to integrate, because it is not so easy. With the diversity of social systems, it is not easy. But we maintain that it is possible, in spite of the diversity of economic and political systems, to seek forms of economic, and even political, integration.

The Caribbean countries, the former British colonies, are moving towards economic and political integration because they have discovered that they cannot live. They are little islands. They need a wider market, they need cooperation, and they are moving towards economic and political integration. The Europeans are moving towards economic and political integration. Why not proclaim that the Latin Americans should move towards economic and political integration? [end recording]

In Clause E of Article 12, the intervention of one state in the affairs of another—armed aggression, economic embargo, and economic and political coercion—is condemned. But something very important has been added: physical violence against persons residing in other countries is also condemned. There was discussion about whether this constituted juridical coercion, but the conclusion was reached that there are countries, like the United States, that try to give legal value to an action that is really interference. [passage omitted]

The delegates made an in-depth analysis of Article 11, called, "The State Exercises its Sovereignty." They broadly and clearly defined concepts concerning what belongs to us and what we own. Therefore, after various proposals, it was upheld that the state exercises sovereignty over the national territory, which includes the airspace and—it was added—the environment, as well as natural resources, bearing in mind that environment includes everything that surrounds man, which covers education and health, for example. [passage omitted]

[Begin Castro recording] The problem is that the forests are a natural resource, and one of the things the developed capitalist countries are questioning are the forests. They want to put the Amazon forests under international control. What I see is that adding this clause about natural resources emphasizes that this is a prerogative of

the state. Not only administering the territory—although one assumes that the territory contains the natural resources within its national territory and waters—by saying that it exercises its sovereignty over the environment and the natural resources—although one assumes that the natural resources are in the territory and therefore it exercises sovereignty over them—the interest it would hold is in stressing and emphasizing that natural resources fall under the sovereignty of the state.

They want to try to break it away from national sovereignty. Without questioning sovereignty over territory, they want to take things away from the territory and put them under international sovereignty. They want to meddle in Brazil and the Third World countries to decide what is done with the forests, while no one decides what the United States does with its forests. Because they are also falling into a tremendous squandering of their forest resources, they want to have something to say about the Third World's forests. But no one can have anything to say about their forests. [end recording]

Escalona Reports to Deputies

FL1007201292 Havana Radio Rebelde Network in Spanish 1700 GMT 10 Jul 92

[Text] Juan Escalona Reguera, the president of the ANPP, the most important legislative body in Cuba, presented to the 463 deputies in attendance the introductory report which explains the changes proposed in response to the new conditions in the national and international spheres. Juan Escalona said in the introduction to the 11th ANPP session that the proposed modifications to the Constitution fully uphold the socialist principles of the Cuban state but adapt certain aspects to the changes of the last few years.

[Begin Escalona recording] First, it is not a matter of writing a new constitution. It is not logical to attempt such a task in the course of the most difficult year of the special period. Second, we have to respond appropriately to the accords and resolutions of the Fourth Communist Party of Cuba Congress. Not only regarding the functioning of the people's government; we also have to adjust the constitutional precepts to decisions on national economic development, foreign policy, and those contained in the programs and statutes. Because all of them, in one way or another, relate to the precepts of our fundamental law. Third, the task at hand, therefore, is to make the indispensable changes, and only the indispensable changes, needed to fulfill these goals. And of course, to update the text by eliminating references to countries or groups which have disappeared for reasons which have nothing to do with us. [end recording]

In general terms, the modifications proposed in the Constitutional Reform Bill of the Republic are grouped into six main topics.

[Begin Escalona recording] On many occasions, when reading and rereading our Constitution, we have felt the temptation to embellish some article, to add one more phrase, or to eliminate something that we now believe is obsolete. But we have always made an effort to free ourselves of this temptation, because this could only result in the writing of a new constitution. And it is evident that this will be possible and necessary once the special period is behind us. With all the wealth of experiences accumulated during this period, with the certainty that we will never return to 1989, then the moment will have come to write a new constitution. This new constitution will reflect all our revolutionary traditions, because it should be based on an analysis of the history of our heroic and unyielding people, this people who are today the admiration of the world, which watches with admiration our ability to resist and will tomorrow gaze with joy on our recovery in every field. [end recording]

During this morning's opening ANPP session, the postponement of the assessment reports from Granma Province and the Water Resources Institute was approved.

The proposed amendments are the result of two years of work. The proposals include 34 articles and updating 42 of the 141 articles of the Constitution.

Agreements Reached on Changes

FL1107121792 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 Jul 92

[Excerpts] The first agreements reached at the 11th session of the National Assembly of the People's Government [ANPP] were to approve the modifications to the preamble of the Constitution which has been in force since 1976. A constitutional preamble is the initial definition of the principles governing a state, based on its own history. The content of the preamble has been maintained in essence. The modifications approved after extensive discussion enrich and update it. The ideas of Jose Marti have been added to the preamble as a guide, and the political and social ideas of Marx, Engels, and Lenin have been maintained.

The international situation has also been brought up to date, and cooperation and solidarity with Latin America and the Caribbean are stressed. It states that we are determined to carry forward the triumphant revolution with the final goal of building a communist society. It notes that we are aware that all regimes based on the exploitation of man by man involve the humiliation of the exploited and the degradation of the human condition of the exploiters. At the proposal of Commander in Chief Fidel Castro, the historic deeds of our internationalists have been included. [passage omitted]

The text notes that the sovereignty of our Republic resides in the entire people, from which the state's power springs. In the article referring to the Union of Young Communists, the statement—that it is an organization of Cuban youth with the primary function of promoting the

active participation of all young people who are capable of shouldering ever greater responsibilities to benefit our society—was approved.

In accordance with the resolutions adopted by the Fourth Communist Party of Cuba Congress, an article, Article 8, was approved expressing the state's political will to recognize, respect, and guarantee freedom of religion. It explains that in the Republic of Cuba, the religious institutions are separate from the state. Chapter 1 deals with the political, social, and economic foundations of the state. The following chapters, which have yet to be approved, also deal with aspects of this subject.

Joint Ventures Considered

PA1207032692 Havana Radio Havana Cuba in Spanish 0000 GMT 12 Jul 92

[Text] On 11 July the Cuban parliament decided to include as a constitutional precept the recognition of property owned by joint enterprises formed with national and foreign capital.

According to a constitutional reform project that has been debated since 10 July by the National Assembly of the People's Government [ANPP], the use, enjoyment, and possession of goods belonging to those enterprises will be ruled by the norms established in the law and in treaties, as well as by their own statutes and norms.

The constitutional changes, which are the main point in the agenda, will need the final approval of no less than two-thirds of the almost 500 deputies gathered at Havana's convention center for the 11th ANPP session.

The constitutional changes define the Cuban state as lay, and as recognizing, respecting, and guaranteeing religious freedom and allowing believers to enjoy equal rights.

The changes to the Republic's basic laws also included, in principle, the rejection of the violation of the State's right to regulate the use of telecommunications in its territory.

ANPP President Juan Escalona said the enemy should not be misled by the changes started by the National Assembly because the socialist system still stands.

Changes Free of 'Pressures From Anyone'

FL1107164092 Havana Radio Rebelde Network in Spanish 1155 GMT 11 Jul 92

["Our Opinion" commentary by Orlando Contreras—live or recorded]

[Text] The National Assembly of the Peoples' Government continues today to analyze, debate, and vote on a series of articles being added to, omitted from, or modified in our Constitution. It is a definitive effort to improve our Constitution, the fundamental law of the Republic, which regulates all aspects of the institutional life of the nation. The essence of what is sought—through our peoples' own sovereign decisions, and without submitting to pressures from anyone—is to continue the process of real democratization of our society in accordance with our values, our history, our culture, our view of the world, and our paradigms.

This process is taking place during the most difficult period of our history while we are being harrassed by an enemy determined, in a pseudo-obstinate [cuasitosuda] manner, to destroy us; an enemy which has consolidated all its might now that its former enemies have become associates in the campaign to crush Cuba. According to history, few nations in the world, in the present or the past, have tried a process of this nature under similar conditions, when those who yesterday were fraternal friends have aligned themselves—at least in terms of suspending supplies and not fulfilling contractual pledges—with the traditional enemy.

But we have new friends. In other latitudes, solidarity with our country and revolution has become a banner of honor amid so much capitulation, so much confusion, and so much loss of pride. The majority of those men and women who have made active solidarity with Cuba their own, are young. This is one more reason to feel optimistic. We will win here doing it our way, with our socialism, and those flags will be carried on high again in other latitudes by new, unsoiled hands. Meanwhile, we continue working under difficult conditions. We take the time, under these circumstances, to perfect our instructions, to further the process of real democratization of our society through our own decisions and without ever submitting to pressures from anyone.

Note Sent to UN on U.S. Supreme Court Ruling

PA1107043892 Havana Radio Havana Cuba in Spanish 0000 GMT 11 Jul 92

[Report by Rosa Rivera in New York City]

[Text] In a note delivered by the Cuban Government to the secretary general of the United Nations, Cuban Foreign Minister Ricardo Alarcon states that his country rejects the U.S. Supreme Court's decision authorizing the trial in U.S. territory of a Mexican citizen who was kidnapped in Mexico and taken to the United States by authorities from that country.

Alarcon said the U.S. court's decision has been unanimously rejected in Latin America and has served as a reason for Cuba to reiterate its solidarity with Mexico in this regard.

The Cuban foreign minister states in the note that Washington's attempt to act beyond the U.S. borders is completely illegal and fits only in the minds of rulers drunk with hegemonic fantasies who claim for themselves the role of international policemen.

The Cuban leader said: We cannot fail to mention that we are talking about a government that allows the

organization and training on its territory of terrorist groups whose objective is to launch armed attacks on Cuba; a government that protects Orlando Bosch and Luis Posada Carriles who are responsible for the evil sabotage that in 1976 destroyed a Cubana de Aviacion airplane, thus preventing justice from being served in this abominable crime.

The Cuban foreign minister concluded his letter by stating that national sovereignty is inviolable and no state, regardless of how powerful it is, has authority to ignore the law and act as if it were the world's boss.

Drug Trafficking Control Efforts Praised

PA1207202592 Havana Radio Havana Cuba in Spanish 0000 GMT 12 Jul 92

[Commentary by Roberto Morejon]

[Text] Cuba has taken appropriate drug control measures because of its geographical location in the Caribbean, which has been and continues to be one of the most widely used routes for the illegal shipment of drugs to the United States—the world's largest drug consumer—and Europe.

International delegates attending a workshop on drugs held in Havana this week admitted Cuba's role in fighting this scourge of humanity. Michel Amiok, regional representative for the Caribbean of the UN International Drug Control Program, regarded Cuba's role as very positive and advocated extending the measures taken in Cuba to the whole area.

Cuban authorities have been forced to confront an increase in drug trafficking in the island's airspace and near its coasts, which is used to take advantage of the region's natural conditions. The Caribbean offers greater maneuverability for drug traffickers, who profit from shorter distances and greater speed in their trips to the United States. The pressure of the Cuban border patrol forces has been so great that there is evidence of a decrease in drug trafficking in areas like the Gonaive Gulf in Haiti and northern Dominican Republic. This occurred mostly between the second half of 1990 and the first half of 1991, when Cuban border patrols (?carried out) the drug operation called Pincers. These border forces are aided by Cuban citizens, who locate, seize, and hand over drug shipments that wash up on shore after the bundles are dumped overboard by traffickers in imminent danger of arrest.

Since 1990, Cuban border forces have captured 36 drug traffickers, half of whom were Cubans residing in the United States. Cuba is one of the 10 leading American countries that intercepted the most cocaine and marijuana in 1990. The results of these efforts, however, will continue to be limited as long as the leading consumer country, that is, the United States, does not guarantee the proper control of its ports, airspace, and people suspected of illegal drug trafficking.

Commentary on U.S. Immigration Policies

PA1107231292 Havana Radio Havana Cuba in Spanish 0000 GMT 10 Jul 92

[Commentary by Roberto Morejon]

[Text] The United States uses its immigration policy for Cuba as a weapon with which to subvert and destabilize the Cuban revolution.

In its latest issue the Cuban magazine JUVENTUD REBELDE pointed out this fact, referring to a new U.S. maneuver that has been reported in THE MIAMI HERALD.

This newspaper is trying to make believe that Cuba is working on a sinister plan aimed at producing a disorderly exodus of Cubans through the Guantanamo Naval Base, which is illegally occupied by the United States.

However, as the official Cuban daily GRANMA charged, it is the U.S. authorities who apparently want to incite such an exodus, under the cover of periodic military exercises carried out in that enclave.

For the past three decades Washington has been manipulating immigration matters involving Cuba. Evidence of this is its refusal to grant visas to people who have served sentences for having acted against the Cuban state security, acts encouraged by the White House's anti-Cuban policy.

The U.S. authorities want to prevent the migration of people who live on the island and who want to leave, often for either economic reasons or to reunite with their families.

The victims of such manipulation turn into malcontents and potential participants in an antigovernment force that the United States wants to create in Cuba.

In contrast with this policy, Havana has made clear that it is realistic in its migration policy toward the United States. In November 1987, Cuba renewed the 1984 Migratory Agreement, despite the fact that the causes that produced its temporary suspension—anti-Cuban radio broadcasts—continued. Cuba has reduced the age requirement for traveling to the United States. At this moment the minimum travel age is 20. This permits an orderly migratory flux. Washington, however, is granting a mere 10,000 visas, despite the fact that it committed itself to issue twice that many.

Cuban border guards are preventing, as much as possible, illegal departures by sea. The United States, however, continues to encourage them by receiving with much ado whoever steals or kidnaps or kills people to secure their objective.

An analysis of the migratory behavior of the two countries shows that the country to the north wants to stimulate disorder in the Caribbean country. Cuba, however, has taken measures to prevent this.

Privatization Called Creditors' 'Imposition'

PA1207173292 Havana Radio Havana Cuba in Spanish 0100 GMT 11 Jul 92

["Our America" commentary]

[Text] Those who believe that one characteristic of the present time is that the positions adopted years ago by several Latin American presidents in favor of the national patrimony have changed radically, are not mistaken. An example of this is the modern privatization process that reverts processes that have been supported from the beginning, and until now, by the people.

The nationalizations carried out by the Argentine Government in the 1940's is something that remains only in the minds of old Peronists because telecommunications, railroads, and airlines are being transferred little by little to private hands.

This privatization process is called: A modern understanding of the new economic administration. The alleged modernity must be viewed as what it really is: An imposition by foreign creditors who, in view of the foreign debt crisis, are now forcing debtor countries to negotiate with international organizations and to obey their orders to privatize.

The governments that are carrying out the most privatizations claim the state apparatus is obsolete and produces losses. Many people, however, believe that state enterprises should be reformed, not sold to private enterprises because the sale causes serious problems for the workers, who suffer unemployment as a first consequence.

While some governments, like Uruguay, call a plebiscite to decide on the future of public enterprises, others pass laws and start privatizing immediately. This is what happened in Bolivia.

In Chile, recent rumors about an eventual privatization of copper mines have placed labor organizations, which have traditionally had strong organizational strength, on a state of alert against a measure that could seriously harm their interests and threaten the means of survival of mine workers.

The alert was given as a result of recent statements by Chilean Mines Ministry officials that the government is studying the creation of a group of enterprises based on the departments of Copper Corporation, better known by its acronym, Codelco.

Deputy Mines Minister Ivan Valenzuela has said that the purpose of the project is to decentralize the work of the state enterprise, especially on operational and administrative matters.

The workers, however, see this decentralization as an attempt to transfer to private hands the enterprises or divisions that form part of Codelco and have openly declared their opposition to these plans, for which the well-known modernization pretext is being invoked.

In 1971, late president Salvador Allende nationalized Chile's copper mines. Allende not only adopted this measure, he also refused to pay an indemnity to U.S. enterprises, explaining that during the years they operated the mines, they had recovered their invested capital.

The privatization wave sweeping through Latin America is now threatening Chile's huge and important copper mines. In addition to the unemployment and poverty this would bring to the people, this privatization would represent a backward step from the position adopted many years ago to defend the national patrimony.

Joint Ventures With Catalan Businessmen Noted

FL1107121492 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 Jul 92

[Text] After several days of intense working sessions, three letters of intention were signed today in Havana between Cuban and Catalan businessmen. The documents concern the manufacture and delivery of shipping containers, jackhammers, cement guns, and prototypes of concrete casting machinery, as well as the joint publishing of various types of publications. As Porfilio Mederos, the acting president of the Cuban Chamber of Commerce, acknowledged, the signing of these letters of intention and the talks in general show the extensive opportunities for trade and the formation of joint enterprises between Cuban and Catalan entitites.

Haiti

Theodore, Mondestin Leave For Venezuela

FL1007182292 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 10 Jul 92

[Text] A communique issued by the National Reconstruction Movement [MRN] and signed by William Cherestal advises that Rene Theodore, the prime ministerial candidate Father Aristide had chosen under the Washington Agreement, and Senator Rony Mondestin left the country on 9 July for Venezuela at the invitation of the president of that country, Carlos Andres Perez. The MRN communique does not say how long their mission will last; what will be discussed during the visit; or when these two personalities will return to Haiti.

Dominican Republic Willing To Host Negotiations

FL1007163492 Port-au-Prince Radio Metropole in French 1400 GMT 10 Jul 92

[Text] The Dominican Republic is willing to host negotiations on the Haitian crisis. The Dominican Government hopes the various parties can agree to open negotiations and express their willingness to meet on Dominican territory.

This is, among other matters, what emerged in an interview with Dominican Ambassador to Haiti Jose Del Carmen Acosta. Acosta asserted that the Dominican Government is

willing to play the role of facilitator in the Haitian crisis. The Dominican ambassador believes that progress has been made through the appointment of Marc Bazin as prime minister, whom he sees as the man most able to conduct open, clear, and credible negotiations that should lead to the return of the ousted president.

Prime Minister Bazin reaffirmed his willingness this week to negotiate with the lavalas camp, and agrees that these negotiations should take place in the Dominican Republic. The Aristide camp, however, has doubts as to the neutrality of President Joaquin Balaguer.

Ministers Address Economic Measures 9 Jul

FL1007173192 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 10 Jul 92

[Report on news conference by Minister of the Interior and National Defense Carl Michel Nicolas, Minister of Commerce and Industry Saedel Laine, Minister of Economy and Finance Wiener Fort; and Minister of Social Affairs Andre Brutusat by unidentified reporters at the National Palace, Port-au-Prince, on 9 July—recorded]

[Excerpts] Minister of the Interior and National Defense [former General] Carl Michel Nicolas announced the creation of a special committee representing several institutions, intended for follow-up and supervision of reports by delegates and vice delegates within the framework of steps being taken to reinstate mayors who were elected during the 16 December 1990 elections to their posts. According to Nicolas, who was speaking during a news conference at the National Palace on 9 July following the Council of Ministers meeting on 8 July, delegates and vice delegates in the country have the mission of conducting an immediate inquiry into the reasons mayors-elect left their posts.

The delegates and vice delegates in the country should present their reports to Minister of the Interior and National Defense Carl Michel Nicolas within eight days. Nicolas, who suggested three reasons the mayors could have left their posts, said that the Ministry of the Interior will do its best so all those who have taken to the bush can return without a problem. [passage omitted]

Minister of Commerce (Saedel Laine) stated that the question of the high cost of living was raised in the Council of Ministers, but that no solution is envisioned for the moment because the high cost of living file is still being analyzed. The cost of living is a major problem.

Minister of Finance Wiener Fort announced the opening of an account at the Central Bank. This account will be called the Emergency Program Central Account. Four ministers [will be named on the account]. They are Wiener Fort, (Saedel Laine), Andre Brutus, and Carl Michel Nicolas.

It is to be recalled that the Council of Ministers of the Bazin government discussed the question of minimum wage the day before yesterday. According to a communique issued by the cabinet of the prime minister, the Council of Ministers made the following decisions: They agreed to study and interpret data on salaries paid within the various commercial, industrial, and agricultural enterprises in the country; to present proper recommendations to the Bazin government within 15 days so adjustments and an increase in minimum wage can be established according to sector of activity.

Reinstatement of Mayors Tied To Aristide Return

FL1007163992 Port-au-Prince Radio Metropole in French 1300 GMT 10 Jul 92

[Text] Evans Paul, replaced Port-au-Prince mayor, says there should be no reinstatement of mayors without the reinstatement of the president-elect to his post.

If one is fighting for democracy, one cannot accept conflict between mayors-elect and the president-elect. All those who were elected should be reinstated in their posts. This is what Evans Paul, deposed Port-au-Prince mayor, said among other things, to the Haitian Press Agency. He is now in Montreal to participate next week in a meeting for French-speaking cities.

Gubernatorial Elections 'Took Place Calmly'

PA1307041292 Mexico City NOTIMEX in Spanish 0236 GMT 13 Jul 92

[Text] Mexico City, 12 Jul (NOTIMEX)—The gubernatorial elections in the States of Chihuahua and Michoacan ended on 12 July at 1800 (0000 GMT 13 July) without serious incident and in a climate of tranquillity marked by a large voter turnout.

In the northern State of Chihuahua, the largest in the country with a long border with the United States, the elections took place in relative calm. It was confirmed that 3,047 polling places functioned without any problem.

Jesus Macias Delgado of the Institutional Revolutionary Party (ruling PRI) and Francisco Barrio of the National Action Party (conservative PAN) voiced their confidence that they will win and congratulated the citizens for their civic attitudes.

Macias Delgado denied that anyone had negotiated in advance his possible "defeat" or that there had been blackmail "of any sort."

They termed positive that officers of various religions had gone to the polls for the first time, after approval of the law regulating Article 130 of the Constitution on relations between the church and state.

Barrios Terrazas announced "that the preliminary results of the voting will be announced on 13 July" [as received] and said that if he wins "my victory will not be the product of negotiation."

He said that the 12 July elections were "not as bad as on other occasions" because "...now there is a more open attitude and one of more dialogue on the part of the government."

PRI spokespersons said voter turnout was greater than expected and that there had been only minor problems, such as a lack of paper.

Spokespersons for the Wave for Democracy (OD), a civic organization that deployed 45 electoral observers throughout the state, complained of various irregularities, including the expulsion of 15 of its members from polling places.

Victor Quintana, OD representative, said the PRI had attempted to close a polling place in General Trias municipality, arguing that votes were being taken outside of the official polling place.

In addition to the replacement of current Governor Fernando Baeza, 67 municipal presidents, 18 relative majority deputies, and 10 proportional representation deputies, who make up the Congress, will be elected in Chihuahua.

In the western State of Michoacan, where the governorship and local congress seats are at stake, the elections also took place calmly. No irregularities that would cast doubt on the legitimacy of the election have been reported.

The main contenders are the PRI and the opposition Party of the Democratic Revolution (PRD), whose candidates, Eduardo Villasenor and Cristobal Arias, respectively, trust they will win the gubernatorial race.

While PRI candidate Villasenor said that the people voted in large numbers and no serious incidents were registered, Arias said many incidents occurred and they demonstrate a lack of government cooperation.

National PRD leader Cuauhtemoc Cardenas said, as he accompanied Arias to cast his vote, that his party would acknowledge defeat should the election be clean, "but I do not believe that possibility exists."

PAN leaders said that voter turnout was between 20 and 25 percent of the 1.56 million voters because of rumors of violence and a lack of security.

It added that the incidents that took place are not grave enough as be termed "monstrous anomalies."

It was reported that Maria Ortega de Arias, wife of the main opposition contender Cristobal Arias, slapped a female electoral official in the face, apparently without justification, after the two cast their votes in Morelia, the state capital.

The official results of the Michoacan and Chihuahua elections will be announced on 19 July by their respective state electoral commissions.

AFP Reports 'Tension' in Elections

PA1307024792 Paris AFP in Spanish 0023 GMT 13 Jul 92

[By Eduardo Garcia Aguilar]

[Text] Mexico City, 12 Jul (AFP)—Gubernatorial elections in the States of Michoacan and Chihuahua, where the opposition Party of the Democratic Revolution (center-left PRD) and National Action Party (conservative PAN) are very strong, were held amid great tension.

More than 1.2 million voters in Chihuahua, the country's largest state, which borders the United States, and 1.56 million voters in the central Michoacan State were called to vote in elections that observers describe as key, two years prior to the 1994 presidential election.

In the face of charges of possible fraud in favor of the official party in a country where the Institutional Revolutionary Party [PRI] has ruled for the past 63 years and where only two states (Guanajuato and Baja California Norte) out of 31 have governors from an opposition party—PAN—these elections are being monitored by hundreds of citizens and foreigners.

The PRD, which has much support in Michoacan, hopes to win its first state with its candidate, 37-year-old

former Senator Cristobal Arias Solis who, according to the media, spent only about $600,000 on his campaign. His PRI opponent, powerful, 46-year-old, porcine businessman Eduardo Villasenor, spent $32 million.

Michoacan is the birthplace of former presidential candidate Cuauhtemoc Cardenas, the son of a general and former Mexican President Lazaro Cardenas, who ran against current President Carlos Salinas in the July 1988 elections, which were termed fraudulent by opposition parties.

The PAN is seeking to win its third governorship, in Chihuahua State, by renominating 42-year-old candidate Francisco Barrio, who was defeated six years ago by the PRI in elections that the PAN described as fraudulent and that generated strong protests. The PRI candidate is 43-year-old Jesus Macias.

The tension was greater in Michoacan, where 5,000 soldiers are present as part, according to the PRD, "of an operation to intimidate the opposition and keep people from voting."

The official station, private television, and certain newspapers on 12 July, during the election, launched an intense campaign against PRD leader Cardenas, accusing him of having sent a letter to U.S. President George Bush, asking him to determine the legality of the elections.

The newspaper UNOMASUNO has charged that Cardenas made "an inappropriate request of Bush" in an alleged letter sent to the U.S. President "virtually calling for intervention" to assure the legitimacy of the elections.

The mentioned letter was, in fact, sent by Cardenas to all the presidents of the member countries of the OAS Inter-American Human Rights Commission, and not especially to Bush.

"It is another manipulation by the progovernment media. Cardenas' letter was sent to all the members of the OAS commission, such as Violeta Chamorro of Nicaragua, but the media did not mention this," PRD spokesman Jesus Galindo told AFP.

The people of Chihuahua started very early to place their votes in the 3,095 ballot boxes that were distributed throughout the country's largest state (224,038 sq km) to elect a governor, 67 mayors, and members to the local congress.

In addition to the possibility that the people may select a second PAN governor in these elections, it has been noted that Catholic Church officials, who have a strong presence in this region, are casting their votes for the first time in the history of this state, which borders with the United States.

In Mexico, religious personnel were previously denied the right to participate in elections. The constitutional reforms approved last January accepted the legal status of churches in the country and gave their personnel the right to vote but not to run for office.

No major incidents had been reported prior to the closing of the ballot boxes. However, at daybreak on 13 July, a "hot week" will start with the war of figures that will arise between the PRI, the PAN, and the PRD. The first important official information will not be reported until 15 July.

The "war of figures" will become more relevant as 14 July draws nearer. On this date, Salinas will meet in San Diego with his U.S. colleague George Bush. A great deal of uncertainty exists with regard to the signing of the free trade agreement with the United States. Also, Mexican economic sectors fear the fluctuations of the local stock market, which have been caused in part by the upcoming and also tough U.S. presidential elections.

Initial Results Reported

PA1307150592 Mexico City Canal 13 Television Network in Spanish 1300 GMT 13 Jul 92

[Report by special correspondent Raul Sanchez Carrillo from Michoacan]

[Text] Mr. Alfredo Villanueva, president of the State Electoral Commission, stated in the early morning hours of 13 July that initial results received from 839 of the 3,632 voting stations installed throughout 113 municipalities of the 18 electoral districts in Michoacan have resulted in the following votes:

National Action Party [PAN], 14,280 votes
Institutional Revolutionary Party [PRI], 89,615 votes
Party of Democratic Revolution [PRD], 46,613 votes
Cardenist Front for National Reconstruction [PFCRN], 2,396 votes
Authentic Party of the Mexican Revolution [PARM] 1,486 votes

The State Electoral Commission president said preliminary results and information gathered and disclosed in the early morning hours reflects approximately 20 percent of registered voters.

Mr. Villanueva also stated that during the 12 July voting sessions, Michoacan residents turned out to fulfill their civic duties and voting was peaceful.

[Begin Villanueva recording] Considering the current setting, Michoacan residents once again have provided an example of their political maturity. The pacifist vocation of all Michoacan residents is evident, and our democratic process is strengthened all the more. Participation in the election was reasonable, and electoral officials and political parties have conducted themselves with total integrity. Initial reports received by the State Electoral Commission from each District Electoral Commission seem to confirm that Michoacan voters responsibly fulfilled their civic duty to vote. [end recording]

Mr. Villanueva pointed out that the State Electoral Commission has gone into recess, and more voting results will not be disclosed until 1800.

* Telephone Operators Union Leadership Examined

92CA0174A Mexico City PROCESO in Spanish No 811, 18 May 92 pp 18-19, 21-22

[Report by Salvador Corro]

[Text] Francisco Hernandez Juarez, leader of the telephone operators union, is the prototype of a modern labor leader, according to the standards set by President Carlos Salinas de Gortari. Thus, with official support, he is laying down new ground rules for labor-management relations, based on "consensus-building," the "alliance between workers and peasants," and above all, confidence "in the presidential institution and in the determination of its program to continue pushing for what has to change."

In keeping with this new style, the telephone operators union is a shareholder, albeit a minority shareholder, in the most profitable company in the country. To change working conditions, it does not issue a call to strike; it comes out in favor of productivity and "government reforms." Hernandez Juarez has direct and immediate access to the president, and although he is not very active in the Institutional Revolutionary Party, he is a distinguished member of its Political Council.

The telephone operators union belongs to the Labor Congress, the executive body of the official unions; it also, along with six other organizations, belongs to the Federation of Unions for Goods and Services Enterprises [Fesebes]. It claims to be in a position to restructure the Labor Congress, which it accuses of being a "club of leaders."

Hernandez Juarez is a creation of Fidel Velazquez, who in 1992 [as published] supported him after some disgruntled workers expelled him from union headquarters. He used to consult with Velazquez, whom he regarded as a guiding force, before he strengthened his ties with the president of the Republic during this term. According to Fidel himself, Hernandez Juarez is no longer the leader of a combative union. "It is obvious that the telephone operators union ceased to be a union of resistance and became a pro-business union," Velazquez declared last 1 May.

Hector de la Cueva, director of the Center for Labor Research and Union Consultation and one of the authors of the "Economic, Financial, and Productive Contract and Wage Study of the Mexican Telephone Company," says that the consensus-building and the new union style, which supposedly involves the elimination of conflicts, have been achieved because the workers and the union have made major concessions to the company. "The model advocated by the government and Mexican Telephone [Telmex] calls for the total subordination of the union to the company's interests."

Dissatisfied workers contend that the union has lost the right to bilateral negotiations and that in the name of consensus-building, it is being left out of important decisions made by the company. For example, "the union has made a lot of studies of modernization and productivity, but in the end the company's plan is being implemented. Sure, there are no layoffs, but there are no prospects for the union to participate in expansion programs, either."

Francisco Hernandez Juarez is convinced that he is on the right track and that, with official support, he will also become the vanguard of the labor movement, which is still headed by Fidel Velazquez. This is how he sees himself:

"We telephone operators consider ourselves the legitimate continuation of the historic struggles of the Mexican trade union movement, not the movement that hides behind or cloaks itself in defeat, confrontation, subservience, or inertia, but the one that breaks with the old and rises anew, the one that creates and transforms, the one that wins and advances. That is the trade union movement."

The president of the Republic, Telmex, and the union are already boasting about the results of this new trade unionism.

Last 24 April, Carlos Salinas de Gortari received a delegation of telephone operators, headed by their leader, who informed him that they had paid off the loan extended by the National Finance Bank to buy stock in the company. He told an anecdote about something that had happened in Agualeguas, Nuevo Leon, during Holy Week:

"Some small adjustments had to be made to the phone equipment I was using there, and I chatted with the Telmex worker while he was making them. I asked him what the reaction had been to the stock purchase, how the workers felt about their new working environment, and he said, 'Francisco is now keeping us informed; he is reporting to us, and we can already see, in concrete form, the benefits we are receiving.'

"The worker," Salinas continued, "knew the name of his national leader. He had heard it, and he had been able to communicate with him. That is a leader who is really committed to the rank and file and is working for them: Francisco Hernandez Juarez."

Moments earlier, Hernandez Juarez had told the president: "Today, 16 years after we began a trade union movement that for many years led us to become involved in situations that were not always favorable or circumstances that were not understood by the company and sometimes the government, we telephone operators can assert that we were in the right: that the new labor movement that we aspire to and that we project, that we have fought for and that we have put into practice today, is possible and necessary for both the workers and the company, as well as the country."

Debts Paid

On the occasion of the revision of the collective bargaining contract last 9 April, Telmex announced that "...the modifications we have agreed to in the collective bargaining contract and the General Program of Productivity Incentives are the detonator and the foundation that place the company in a position to carry out the programs of growth, modernization, and quality of service that Telmex is developing at an accelerated rate."

The new relationship between the government, the company, and Hernandez Juarez began when the union leader, speaking at the 14th Annual National Convention of the telephone operators union, called upon the president of the Republic to clarify the fate of the phone company. Then the six basic points that would govern the privatization of Telmex were announced, and the president promised that there would be no layoffs, that the collective bargaining agreement would be respected, and that the union would be heard. Based on that, Hernandez Juarez made substantial changes in his positions opposing privatization. Not only did he express support for privatization, but he offered unlimited cooperation.

When Fesebes was formed in April 1990 by the unions representing pilots, pursers, transit workers, electricians from the Mexican Trade Union of Electricians [SME], and technicians and professionals, Hernandez was elected general secretary. The statement of principles said: "The formation of Fesebes serves our organizations' basic interest in promoting unity, democracy, and autonomy in the trade union movement, which are key instruments for the defense and development of the Mexican workers' interests and aspirations."

One of its objectives was "the efficient and honest management of companies in the public interest, preventing them from being used for political or economic ends to the exclusive benefit of private interests." Telmex had not been sold yet.

The organization's bylaws prohibit the reelection of its leaders to consecutive terms. Moreover, Article 34 stipulates that the members of the National Executive Committee and the National Autonomous Oversight Commission will serve a two-year term. That term has now expired, and there has been no change in the leadership.

Opposition workers contend that Hernandez Juarez "has set aside his principles of no reelection, democracy, and liberty. In fact, he has modernized the mechanisms of control, enabling him to run the union in such a way as to serve the interests of the company."

Groups of telephone operators, whose leaders prefer to remain anonymous for fear of reprisal, are studying the situation and reaching conclusions about what is happening in their union and in the company: "A new form of corporativism is taking shape in the labor movement, and the principal leaders are Francisco Hernandez Juarez, Jorge Sanchez (head of the SME), and Elba Esther Gordillo (teachers union leader)."

The telephone operators in the democratic faction explain that the telecommunications industry is playing a strategic role in Mexico's economic integration with other countries and with new technologies, as part of the Free Trade Agreement, and "Hernandez Juarez has shown a great capacity for adaptation and negotiation to advance his personal plans, but not those of the workers."

They claim that in the contract revision of last April, the union adopted a productivity policy that is the same as the company's, in which the only thing that matters is accelerating the work day. As for quality of service, there is a shortage of personnel in the external grid, in cables, in line repair, and in installations, but the union leadership has ignored this problem. The union does not want to hear about new hiring. Since January 1990, some 3,000 job vacancies have gone unfilled, and no personnel have been hired to cover the expansion of the grid and the new customers.

"Sure," they say, "there are no layoffs, but the payroll is not expanding, either. As for productivity, the quantitative and qualitative aspects of production are being considered, but the living conditions of the workers are not improving."

Cellularitis

The cellular telephone network and the installation of fiber optic equipment are being handled by private firms and subsidiaries. As a result, labor has lost considerable ground.

THE WALL STREET JOURNAL reported on 28 April that the inefficiency of Telmex "has sparked a boom in the country's cellular telephone business, unprecedented in the world." Whereas Telcel had a customer base of 80,000 people last year, Iusacell sold six times more telephones during its first two years in business.

And the benefits of owning shares in the company have not been felt by the workers, either. "There has been a manipulation of the figures. We workers demand a full accounting so that we can determine the precise number of shares held by the union and what type they are. No one knows what prices were paid or why we are being told that they dropped from 4.4 percent to 3.9 percent. What happened to that 0.5 percent?"

Hernandez Juarez, however, has contained the dissent by means of his control mechanisms. In his new style, he has two parallel executive committees, one made up of the leaders elected by the workers and the other made up of advisers and coordinators selected by him.

As a tactic, in all of his speeches, written communications, and official documents, Hernandez Juarez thanks the president of the Republic for all actions favoring the union and praises his friendship and recognition. On 24 April he stated:

"Our recognition, Mr. Salinas, is at heart a recognition of your initiative, your leadership, and your decisions.... It

is important for us to express that recognition, not only because it is an act of honesty and great gratitude to you, but also because it gives us an opportunity to evaluate and reaffirm the scope of our union program.... In you, Citizen President Carlos Salinas de Gortari, we telephone operators have an ally, with the firmness, certainty, and consistency that come from our agreement on goals, action, and strategy with regard to the fundamental issue, our higher objective of building a more productive, more just nation...."

The president also speaks highly in public of the telephone operators' leader. He has called him a "serious, responsible, and talented leader, above all, one who is capable of understanding the new times we live in and who, in doing so, protects his fellow workers at the same time that he promotes the general interest."

The 1 May parades are used by Salinas and Hernandez Juarez to demonstrate their friendship: Hernandez Juarez walks at the front of the telephone operators' contingent, dressed in a green shirt and black pants. When he passes below the main balcony of the National Palace, the president calls him, and a few minutes later he appears on the balcony.

The differences with Fidel Velazquez are growing. The leader of the Confederation of Mexican Workers refused to sign the National Accord on Productivity last 1 May, while Hernandez Juarez maintains that first productivity must be boosted, then wages.

Researcher Hector de la Cueva believes that in the new model of consensus-building, as Hernandez Juarez is implementing it, "in real terms a relationship of extreme dependency and ties to the government is being established. These leaders are creating a new form of subordination, of dependence, that they want to spread through productivity. The old leaders responded to the political control of the workers. "The government, too, faces many contradictions. When La Quina was jailed, it seemed like the government was moving fast, but it had to put on the brakes. Even Fesebes has been unable to play the role that had been envisioned for it. They have had to wait, although this is being put forward as a new charter anyway."

He concludes: "To be sure, the old corporative model is being rejected, but with the new leaders, with the new comparativism, the relationship is characterized by even greater subordination and dependency. The new leaders are establishing a strong loyalty to the presidential figure, not the system, as is the case with Fidel Velazquez. That is why being a friend of the president once again becomes essential to the union's survival. In short, what is being modernized is the bonds, the dependency."

* Public Found To Favor Velazquez Retirement

92CA0174B Mexico City ESTE PAIS in Spanish May 92 "Survey" Section p 41

[Text] On the occasion of the celebration of Labor Day and in view of the difficult political situation faced by the Confederation of Mexican Workers [CTM] and, in particular, by its General Secretary Fidel Velazquez, ESTE PAIS is presenting the public's opinion of the nonagenarian leader's work. It also shows the overwhelming opposition to his remaining at the head of the CTM.

What is your opinion of Fidel Velazquez, good or bad?	
Very good	1%
Good	24%
Fairly good	11%
Fairly bad	10%
Bad	24%
Very bad	9%
Do not know/no answer	21%
In your opinion, should Fidel Velazquez retire from the CTM?	
Definitely yes	35%
Yes	28%
Neither yes nor no	5%
No	8%
Definitely not	1%
Do not know/no answer	23%

El Salvador

Former Official Accuses ONUSAL of Partiality

PA1107162192 San Salvador Canal Doce Television in Spanish 0300 GMT 10 Jul 92

[Text] German citizen Reinhard Jung-Hecker, a former official of the UN Observers for El Salvador [ONUSAL] human rights section, said that Iqbal Riza, the organization's chief, shows partiality to the government. Jung-Hecker, in a letter addressed to UN Secretary General Butrus-Ghali, reports that Riza implanted his rules right from the beginning, disallowing any contradictions with government organizations and maintaining a low profile on the more important cases. He states that Riza imposed restrictions and even censorship on human rights issues, in a country that requires a demonstration by a force that could end impunity.

Jung-Hecker stated he was suspended for almost four months for expressing his concern about the arrest of guerrillas by soldiers posing as policemen. According to the letter, an immediate protest from General Mauricio Ernesto Vargas, the deputy chief of staff of the Armed Forces, forced Riza to punish the official without hearing his version of the incident. The letter adds that the mission has been pressured by Colonel Roque Ciro Lopez, director general of the national police, and Mauricio Gutierrez Castro, president of the Supreme Court of Justice. The letter also says that Riza prohibited the ONUSAL human rights section from pressuring the country's authorities to force the arrest of the members of a death squad operating on the outskirts of San Salvador, even though the organization had their names and addresses.

Accusations 'Downplayed'

PA1107162392 San Salvador Canal Doce Television in Spanish 0300 GMT 10 Jul 92

[Text] A letter written by a former official of UN Observers for El Salvador [ONUSAL] addressed to UN Secretary General Butrus-Ghali states that ONUSAL has been partial toward the Salvadoran Government. Iqbal Riza, head of ONUSAL, downplayed the accusations and refrained from making any further statements. Riza said, however, that the former ONUSAL member has the right to say what he pleases.

[Begin recording] [Riza] That is the gentleman's opinion. He has the right to state his opinion. That is all, thank you.

[Unidentified reporter] As head of ONUSAL, you respect that opinion, then?

[Riza] We respect each person's right to express what he or she wishes.

[Reporter] What is ONUSAL's position?

[Riza] No comment. That is our position. Thank you. [end recording]

The letter sent by Jung-Hecker, a German citizen and a former official of the ONUSAL human rights section, states that to prevent any contradictions with the government, Riza—a citizen of Pakistan—maintained a low profile on the investigation of the more prominent cases of human rights violations by imposing restrictions and even censorship on the section's work.

For the time being, ONUSAL does not wish to present an official statement regarding the letter. Various sectors, however, have expressed their opinion, particularly the political sector. Some recognized ONUSAL's work in the area of verification, and others questioned it.

Mayors Claim FMLN Occupies Several Towns

PA1007204892 San Salvador EL DIARIO DE HOY in Spanish 9 Jul 92 p 2

[Text] Martin Velasquez, Elveltina Caceres de Garcia, Ismael Garcia, Jose Garcia, and Julio Hernandez, mayors of Poloros, Nueva Esparta, Anamoros, El Sauce, and Lislique respectively, reported on 8 July that the Farabundo Marti National Liberation Front, FMLN, will not permit them to open their offices.

De Garcia said members of an FMLN front organization known as CODELUN [Coordinating Board for the Communal Development of La Union] want mayors to share the municipal councils with them. "I will never permit that, because I was freely elected by the people," she added.

CODELUN members are also demanding that municipal facilities be shared with them. "They burned those facilities and now they want to occupy them," she stressed.

Meanwhile, Ismael Garcia reported that the FMLN has installed a "public security" office in Anamoros. He added that at the office's entrance, guarded by armed FMLN members, there is a sign that reads: "Public security. We receive complaints."

He added that in August the community will celebrate its annual patron saint festivities of Our Lady of Sorrows and therefore would like the immediate restoration of order, so the more than 25,000 inhabitants can participate in those activities.

Ismael Garcia, who has received death threats from the FMLN, said he does not see how this can happen in a peace process.

El Sauce Mayor Jose Garcia said, "They (FMLN members) are demanding the withdrawal of the National Police in order to open their 'public security' offices."

The mayors held a news conference, which Concepcion de Oriente Mayor Vidal Canales, who is also facing the same situation, was not able to attend.

Ernesto Velasquez, deputy for the Nationalist Republican Alliance, ARENA, said both the government and the UN Observers for El Salvador, Onusal, are aware of the problem, but the UN Organization is acting as an FMLN accomplice and has only conveyed CODELUN's proposals to the mayors.

Roberto Villatoro, another ARENA parliamentarian, said that the FMLN has occupied practically the entire northern part of La Union where it maintains armed men who prevent the normal development of activities in six towns.

Onusal and human rights organizations should protest this violation of the Constitution and peace agreements by the FMLN, he stressed.

The six mayors affected are trying to handle the requests they receive from citizens in their respective municipalities from Santa Rosa de Lima. That work in exile affects more than 100,000 inhabitants in six towns.

There have been reports from other parts of the country on various criminal or threatening activities carried out by the former terrorists, who sow uneasiness among honest citizens.

FMLN Official Comments on Weapons Delivery

PA1007170192 San Salvador Radio Cadena YSU in Spanish 1800 GMT 8 Jul 92

[Text] Salvador Samayoa, Farabundo Marti National Liberation Front [FMLN] representative on the National Commission for the Consolidation of Peace, Copaz, has denied that there is any basis for remarks being made by various government officials who are constantly saying the weapons delivered by the guerrillas are not in line with the capacity shown by the combatants during the war.

On 7 July, [Nationalist Republican Alliance leader Armando] Calderon Sol said the weapons delivered by 20 percent of the guerrillas, who were demobilized on 20 June, do not match the inventory delivered to the UN Observers for El Salvador, the mediators in the conflict.

Samayoa noted that only a percentage of the guerrillas have been demobilized; therefore, one should not venture opinions until the entire demobilization has taken place. The FMLN representative also said the former combatants, both the guerrillas and those from the Armed Forces, should not subsequently become part of the army, because they have spent a decade at war.

[Begin recording] [Samayoa] [Words indistinct] bill on military service and the reserves. We worked very hard on that in the previous session.

[Reporter] [Question indistinct]

[Samayoa] There was a point under discussion. In that regard, we feel the FMLN and Armed Forces persons who were fighting for several years should not be drafted. There are two reasons: First, they already have more military experience and training than they are going to receive in the service. Second, it is obvious that if the fatherland were to need them, they would already be ready and able to become involved in the fighting. Consequently, this is a controversial issue. We think those who fought in the war should be exempt from service. They have already made considerable economic, cultural, and social sacrifices. If they were to serve one or two more years, we would be doing them a great disservice.

[Reporter] [Question indistinct]

[Samayoa] We will have to see how the discussions develop. We think our point is legitimate and reasonable. It will not only benefit FMLN fighters, but others who fought, such as those in the Armed Forces.

[Reporter] [Question indistinct]

[Samayoa] The people who already did their military service.

[Reporter] [Question indistinct]

[Samayoa] [Words indistinct] I do not know how Mr. Calderon Sol thinks that weapons do not deteriorate when they are used. It is being said that the FMLN had new weapons during the 1989 offensive. It is true, but that was back in 1989. This is 1992. Those weapons suffered considerable wear and tear. It is also said that not all FMLN weapons have been delivered. Only 20 percent of the fighters, the first 20 percent, have been demobilized. Weapons deliveries will be made in accordance with the peace process and the demobilization. It is absurd to think that all weapons would be delivered in the first demobilization. Of course, they have not been delivered. They were not supposed to be delivered from the beginning.

[Reporter] [Question indistinct]

[Samayoa] No, there is no specific report on [words indistinct].

[Reporter] [Question indistinct]

[Samayoa] No, this process is progressing very well. There are moments when there is some distrust, but then they get talking. I do not think the objections raised with regard to the weapons would obstruct the process.

[Reporter] [Question indistinct]

[Samayoa] Some people are truly worried that there will be [words indistinct] in the country. The truth is that we are still waiting to collect all the Armed Forces weapons that are in the hands of civilians. The government must inform us in due time of how this is being done. There are thousands of weapons in the hands of civilians, particularly in San Salvador. It is a process in which we will promote trust so that society can be disarmed.

[Reporter] [Question indistinct]

[Samayoa] The next 20 percent of fighters will have to become demobilized by 1 August.

[Reporter] [Question indistinct]

[Samayoa] This gentleman is very controversial. He has always been that way. He keeps imagining plots by the FMLN and the communists, and subversion in everything that happens in El Salvador. I think it would be smarter for him to realize that workers and employees make demands and go on strike simply because their standard of living is very low. They do not need anyone to stir them up.

[Reporter] [Question indistinct]

[Samayoa] In the session we are to hold now, we supposedly are going to send the bill to the Assembly with all its observations so the matter can be settled this week. [end recording]

Guatemala

President Serrano Proposes URNG Demobilization

PA1007165692 Guatemala City Teleonce Television in Spanish 0340 GMT 8 Jul 92

[Text] President Jorge Serrano Elias presented a proposition to the Guatemalan National Revolutionary Unity [URNG] on 7 July. The president proposed that the URNG demobilize its rebel fronts and surrender its weapons under UN supervision. Serrano publicly made this proposition during a speech delivered during a working visit to Santa Cruz, Quiche Department.

[Begin Serrano recording] We have decided to take the path of negotiation, the path of dialogue; and we have been seated for hours on end, waiting for days, for the rebels to understand that Guatemalans reject violence. We have waited for the rebels to understand the demonstrations of good will made by my government. Even though we still have serious disagreements with the proposal presented by conciliator Monsignor Rodolfo Quezada Toruno, we have accepted the human rights agreement as he presented it.

Now, the rebels use excuses and hide behind legal technicalities and fake procedures to avoid valiantly reciprocating the step taken by the government and standing before the nation to say: We also accept the agreement on the respect for human rights.

From this atrium, in this department that has been a victim of the armed struggle, I again invite the rebels to come before the legal institutions.

There is a democratic government. There is a president who is extending his hand to you, opening his arms and telling you: Come to Guatemala and incorporate yourselves into legal life. Let's end the armed conflict; let's discuss our differences at the negotiation table; let's recognize the United Nations as the organization that could be the guarantor of the agreements we may reach; and, once and for all, let's bring peace to the young people of our country.

Once again I tell you: Let's start an uninterrupted dialogue for as long as may be necessary. I have proposed that we start the dialogue in the second half of July and meet every other week, until we have the final peace agreements that may allow Guatemalans to live in peace.

We have read, I repeat, with great care and interest the proposal the URNG presented, and we have answered the proposal with a spirit of reconciliation and love. We have given a nationalistic, legal, and patriotic response to each of the points the URNG has proposed. Now we ask them that, simultaneously with what they propose, we also discuss the demobilization of the rebel fronts and the surrender of the weapons under UN supervision.

In our peace proposal, we have a complete generalization. We believe there must be economic and social justice, but we also believe the armed conflict, which has caused our country so much blood, pain, and death, must end.

As a government and Army clearly, legally, and legitimately representing the people, we are willing to work actively so that peace may reach the Guatemalan homes. [end recording]

General Rejects Possible Coup Attempt

PA1007153792 Guatemala City SIGLO VEINTIUNO in Spanish 8 Jul 92 p 12

[Text] The untimely presence of Luis Sosa Avila, a retired colonel and former presidential candidate for the MLN [National Liberation Movement] early on 7 July on the second floor of the National Palace prompted reactions from General Jose Garcia Samayoa and Government Minister Fernando Hurtado Prem.

In the company of several MLN leaders, the retired officer presented the "Government Plan for Immediate Action" proposal at the Presidency's general secretariat admissions office.

At the top of his voice, Sosa Avila criticized President Serrano Elias' regime "because it does nothing," and warned that he, Sosa Avila, and his MLN are "on a war footing against this ungrateful government" and asserted a new coup d'etat is being planned.

Sosa Avila proposed the creation of a Council of Specialized Advisers to represent all sectors of the nation and advise the executive, legislative, and judicial branches without charging a single centavo.

Sosa Avila demanded security, health, education, and work programs for the Guatemalan people, and warned that plans for a coup attempt began scarcely two days after Serrano Elias took office. He warned that he, Sosa Avila, will lead the people in toppling the regime.

The reaction of the National Army as the institution responsible for domestic security came immediately, and it was expressed in the following terms.

Gen. Garcia said: He is a retired colonel who has been involved in political issues, therefore, he has no reason to comment on the Army. His actions are purely personal, and he should weigh the seriousness of portraying himself as "Colonel Sosa."

This is a serious and difficult issue because he has added "colonel" to his name, and everyone will take advantage of the situation and criticize our institution. This is why it is serious. It would have been interesting if he had said "I, the political expert, or I, the politician, says such and such."

If there are any actual activities that force us to act, I guarantee we will not think twice to defend the people's institutionality, Constitution, and conscience. The people elected a president who represents national unity, and we must defend the people's feelings and will, and we will not hesitate to do so, regardless of who is involved.

This is our position in defense of the National Army's dignity. I do not wish to know, in reality, if they are talking about a coup implicating the institution because we are going to respond in kind—without a great deal of noise, tiresome speeches, demagoguery, or haughtiness, but with a strong hand.

Will the Army defend the president? Correct. Whatever it costs, we will defend the constitutional president of the Republic, but I do not believe a coup is being planned. The Army's support of the constitutional regime is rock solid, as firmly proven on 30 June.

I totally dismiss the possibility that an attempt at destabilization will emerge within the Army itself, but if it comes from the sector that he (Sosa Avila) is saying, they must abide by the consequences. He is a retired colonel, therefore, we will implement legal mechanisms to take action against him, which implies his dishonorable discharge and revocation of his rank.

Sosa Avila should be circumspect and talk with a great deal of caution and discretion. If, in fact, he says the people are with him, which I have no proof of, allow me to suggest to him that he fight for his candidacy or his political secretary post and place himself in the proper position.

A first measure against him would be to prohibit his entry into military headquarters. We will adopt other measures if the situation becomes more complicated.

I imagine the competent authorities have taken note, but if certain situations are proven, we will act accordingly. We are not here to tolerate abuses and haughtiness. The law is equal for all. The laws and military regulations in this case are severe, and this corresponds, precisely, to a situation that should be examined.

Toward a state of emergency? I respect opinions, but for the time being, I do not believe the conditions are right for such an extreme decision. It is the responsibility of the constitutional president of the Republic to make this decision.

We have not received any order or instructions in that regard, but the Army always evaluates and constantly studies its plans and possible actions to avoid hasty and incoherent actions.

We are prepared. At this moment, we do not consider the violence to be alarming enough to create political chaos. Unfortunately, common organized crime has increased, which is worrisome.

Strong measures will have to be adopted by the Government Ministry. We are prepared to support the actions of the National Police in the area of intelligence information, as well as by reinforcing police units.

We would not consider having the Army perform other types of tasks; we are considering reinforcing the police force. We need not necessarily believe the Army will carry out other types of actions.

Meanwhile, Hurtado Prem said that if there was a possibility of a coup, it would have been carried out already and, furthermore, the people who plan and execute coups do not first ask for permission. There is no possibility of a coup, regardless of how painful this is to Col. Sosa Avila and all who were not favored by votes.

This issue will continue to be painful to those people who know they cannot attain power through votes because they are unpopular. They behave as if they are leaders who, exercising the rights bestowed upon them by the law, can shout anything they want. If Sosa Avila knows of a coup, he must denounce the coupists so we will know who wants to disrupt order.

A call to rebellion is illegal, but that is the jurisdiction of the Attorney General's Office. I am convinced that, although the people who are creating destabilization are causing serious problems, there is no possibility of a coup.

Many people would like a coup because they do not want the country to progress. Even if they refuse to acknowledge it, serious progress has been made, especially in the process of consolidating the country's legal situation; therefore, they can forget about the coup.

If the government decides, the Government Ministry will participate in the legal proceedings initiated by the Attorney General's Office. Any alteration of order, defense of crime, or illegal action requires a correction.

Retired Colonel Presents Party Proposals

PA1007192192 Guatemala City EL GRAFICO in Spanish 8 Jul 92 p 6

[Text] Retired Colonel Luis Ernesto Sosa Avila reaffirmed that the National Civic Front, FCN, is not involved in destabilizing the government and does not want to destabilize the government, and that its actions are based on the Constitution. Sosa proposed a "government program for immediate action" in order to correct national problems while avoiding a coup d'etat.

Sosa and other FCN members presented the proposal to the general secretary of the Office of the Presidency for delivery to President Serrano, who was not in his office at the time. The FCN officials then met in front of the National Palace. They later went to the Archbishopry, where Sosa declared: "As of right now (1100 on 7 July), we declare ourselves on a war footing."

The retired officer sharply criticized the warnings made by Defense Minister Jose Domingo Garcia Samayoa, who had stated that Sosa would be dishonorably demoted if he continued to rouse the people. Sosa declared that he could say he had directly fought the guerrillas on the battle front, and that the FCN proposal was to resolve problems but above all to avoid a coup d'etat.

The proposal states that the current situation requires the participation of everybody in order to strengthen the democratic process. It includes, among other points, the following: The establishment of a Specific Affairs Advisory Council; compliance with the Constitution and Guatemalan laws; establishment of investigation commissions; promotion of total peace; respect for human rights, citizen security, labor, health, austerity; the cessation of administrative corruption; annulment of the so-called tax modernization program; suspension of presidential trips; international relations; and freedom of expression. [missing text as published] to demote him with dishonor.

The defense minister said he had not seen the communique Sosa Avila presented to the secretary general at the Office of the Presidency on 7 July. Sosa also distributed copies of the communique to other sources.

Garcia Samayoa said it would be advisable for Sosa Avila to carry out his political campaign according to the law, because if he strays from it, there are mechanisms to make him respect it.

With regard to Sosa Avila's affirmations that a coup d'etat has been in the making since the second day of President Jorge Serrano's administration and that these plans continue, the defense minister reaffirmed that the Army respects the democratic system and the institutions of the country.

Nicaragua

Chamorro Assumes Control of Central Bank

PA1107200792 Managua Radio Catolica in Spanish 1100 GMT 9 Jul 92

[Text] The Presidency assumes total control of the Central Bank of Nicaragua. President Violeta Chamorro gets an advantage over the Legislative Assembly by enacting a new law on the Central Bank. According to this new law, the Central Bank Board of Directors will continue under the Presidency's total control. The Legislative Assembly has been analyzing a draft bill whereby the bank's president would be appointed by that institution. According to the new law, the Central Bank Board of Directors will be formed by the bank president, the finance minister, and three other members appointed by the president of the Republic. This translates into total control of the banking institution by the president. "The Awakening" newscast has learned that the enactment of this law is one of the causes of the disagreements between Presidency Minister Antonio Lacayo and current Central Bank President Silvio de Franco. The Central Bank Board of Director's excessive dependence on the Presidency turns it into an institution with no autonomy, under the total control of President Chamorro, and if one may say so, of the Presidency minister.

Two months ago, the Legislative Assembly held a seminar with the participation of the president and former presidents of the Central Bank, where the majority expressed the need to turn the bank into an institution with greater autonomy. It was also learned that this project had the support of some international institutions that have been [word indistinct] the bank's reserves, the use of which are now at the disposal of the Presidency minister.

Central Bank President Denies Resignation

PA1107204892 Managua Sistema Nacional de Television Network in Spanish 0300 GMT 10 Jul 92

[From the unofficial "Extravision" newscast, directed by Manuel Espinoza, former information minister under the Ortega administration]

[Text] Central Bank President Silvio de Franco confirmed on 9 July that he has differences with other members of the cabinet, including Presidency Minister Antonio Lacayo, but noted they were normal and took place in a friendly atmosphere. According to De Franco, the differences result from the way each envisions the pace of changes and the development of the government plan. He also commented on problems of ethics and the need to cut superfluous spending.

[Begin De Franco recording] The differences revolve around reforms, deregulation, and the transformation or need to transform the banking system —changes that are

also related to the need to transform other state organisms to make them more efficient and more attuned to the needs of the groups that need them the most. The state has to be much more efficient. We must cut superfluous spending. This is no bed of roses. In sum, the differences deal with all those things that are necessary to attract private investment and to have enough time to make plans so private investments are made. I often disagree with some persons over the pace in which all these things are to be implemented—although we are all headed in the same direction. [end recording]

Although the Central Bank president flatly denied rumors of his resignation, he said he would resign if his ideas and ethics did not support an objective, because the end does not justify the means. De Franco also denied he leaked information to National Assembly President Alfredo Cesar to be given to U.S. politicians.

[Begin De Franco recording] I saw him at a certain distance. Unless he has telepathy and can read my mind, I do not see how this could have happened. In addition, it is not right to present the information as if it were a case of mismanagement of funds. It is a case where bad loans were granted and compounded by a problem in recovering those loans. I can say the office of the Central Bank president and its officials did not leak any information. [end recording]

German Delegation Arrives; Discusses Debt

PA1107182692 Managua Sistema Nacional de Television Network in Spanish 0100 GMT 11 Jul 92

[Text] On 10 July, President Violeta Barrios de Chamorro met with a German Parliament Financial Committee delegation. During the meeting, the German deputies assured President Chamorro they were making efforts to get the German Government to pardon Nicaragua's debt on military equipment.

President Chamorro explained to the German Parliament delegation the democratization process, economic stabilization plan, and disarmament process. The president stated she wants the German Government to pardon Nicaragua's debt, totaling $800 million, including the debt for war materiel and equipment. Afterward, the president and the Disarmament Brigade general staff gave details on the process to destroy the war materiel that has been confiscated since 25 April 1990. She also handed them several plaques to commemorate the pacification phase Nicaragua is experiencing. At the conclusion of the visit, the deputies voiced their satisfaction on the progress of Nicaraguan democracy.

[Begin unidentified speaker recording] We have clearly stated Germany will pardon the debt related to the deliveries of war materiel. As far as we are concerned, the German aid will not take the same course as the U.S. aid. [end recording]

President Chamorro noted she was confident regarding the deputies' effort. Commenting on the work her government is conducting in Washington, President Chamorro said it was positive and denied the U.S. Government is pressuring her to reshuffle her cabinet.

[Begin recording] [Chamorro] Nobody is pressuring me. I do as I please. I do not live in the United States. We are Nicaraguans. I do not have a U.S. passport. I want to be a friend of the people of the United States, Colombia, Panama, Costa Rica, everybody. I do not accept pressure from anyone, except from God when he wants to guide me.

[Unidentified reporter] [Question indistinct]

[Chamorro] Pardon me?

[Reporter] You do not accept pressure from anyone either.

[Chamorro] I accept holding talks, which is what I have been doing. I listen, and then I make my decision. [end recording]

Chamorro Installs Commission on Protected Areas

PA1207190492 Managua BARRICADA in Spanish 10 Jul 92 p 6

[Report by Nohelia Gonzalez]

[Text] On 9 July, President Violeta Chamorro installed the National Commission on Protected Areas [Comision Nacional del Sistema de Areas Protegidas]—SI-A-PAZ—and recommended that the project be implemented with responsibility because it "represents the first major attempt at territorial ordering in Nicaragua."

President Chamorro stated the project came about in 1990 during the Puntarenas Presidential Summit, with the objective of conserving the natural and historical patrimony of the San Juan river to transform it into a tourist, educational, recreational, and social development center.

In addition to President Chamorro, the commission is also presided over by Jaime Incer, National Resources and Environment Institute minister director, and Jaime Granera, agriculture and livestock vice minister.

The SI-A-PAZ commission is also formed by Jose Boanerges Matus, minister director of the Nicaraguan Agrarian Reform Institute, and Virgilio Cossi, regional delegate of the Natural Resources Protection International Union.

Mrs. Chamorro also sated that the commission's mission will include the conservation of the river basin to promote quick travel between the heavily populated regions of Nicaragua and the Caribbean Sea. In addition, the commission will be responsible for the development of economic opportunities for these population centers.

The Nicaraguan president said that the commission also intends to control illegal activities, such as the trafficking

of lumber, wildlife, and archaeological objects. These illegal activities have been taking place for several years along the border region. During an improvised news conference, President Chamorro regretted the request made by Vice President Godoy to fire Presidency Minister Antonio Lacayo. She added that "it is a shame that he has been unwilling to work."

President Urged Not To Exchange Dignity for Aid

PA1207013092 Managua BARRICADA in Spanish 9 Jul 92 p 11

["Excerpt" from an "open letter" to President Violeta Barrios de Chamorro sent by Supreme Court Justice Vilma Nunez de Escorcia, president of the Nicaraguan Human Rights Center, CENIDH, on 6 July: "Aid in Exchange for Dignity?"]

[Text] The initiatives of Senator Helms, expressed through his statements and letters, are openly harmful to Nicaragua's sovereignty. They are appropriate, not of a legislator of an allegedly mature and exemplary democracy, but of the proconsul of a haughty and intolerant power, who only accepts his own truth and defines it as universal.

Madame President, your government must request or accept international support that is free of any conditions that violate the sovereignty and self-determination of the Nicaraguan people.

It is your government that must decide the future of the Army's leadership, necessary changes in the legal system so that justice can be administered in an honest manner, and the need to do justice, not in certain cases but in all cases. It is you who should undertake these responsibilities, which are inherent to the mandate the majority of the Nicaraguan entrusted to you on 25 February 1990, precisely because they were tired of the U.S meddling that led to a decade long war.

It is because of this that I am concerned over the tone of the final paragraphs of the letter the Presidency minister sent to several U.S. congressmen, which was widely publicized by the media. I can see in the letter more than a programmed decision to promote plans and actions within the government plan of a sovereign state—an account of the fulfillment of pledges made behind the backs of the Nicaraguan people.

I am even more concerned, Madame President, over the tone of the letter Foreign Minister Ernesto Leal recently sent to Senator Helms, because it proves the existence of political pledges made without the knowledge of the people, who voted for peace and are the true craftsmen of the power you hold and should exercise with dignity in the international sphere as president of a sovereign country.

The Nicaraguan Foreign Ministry must not use that tone to satisfy or to explain issues to people who have always flagrantly disrespected our country's sovereignty and the dignity of the Nicaraguan Government and people, lest it surpass limits set for the adequate use and handling of international financial cooperation.

To renounce one's dignity to obtain "aid" is inconceivable, immoral, and unpatriotic. Acceptance of the terms of Senator Helms' letter is to renounce governing the country in a series of fundamentally important areas: economic, social, political and legal. It only delegates to that senator and his staff [preceding word in English] of advisers the making of decisions that are the exclusive and sovereign domain of the Nicaraguan Government.

I hope that as the president of all Nicaraguans you will heed this patriotic call instead of renouncing the clamor of Pedro Joaquin Chamorro when he introduced to his struggle the slogan "Nicaragua will again be a republic." This is part of the full exercise of our sovereignty and self-determination, which are human rights of the Nicaraguan people.

I hope the foreign minister and government minister, who now are in Washington, will keep the contents of this letter in mind during the negotiations to release the "aid."

With the highest regard and respect, I take leave of you very attentively,
[Signed] President of the Nicaraguan Human Rights Center [CENIDH]
Excerpt from the open letter sent by the president of the CENIDH to the president of the Republic on 6 July 1992.

Vice President Godoy on U.S. Aid, Lacayo

PA1207030992 Managua Radio Catolica in Spanish 1400 GMT 9 Jul 92

[Interview with Vice President Virgilio Godoy by Luis Mora Sanchez on the "Topics and Debates" program—live or recorded]

[Excerpts] [passage omitted] [Mora] Dr. Godoy, as vice president of the Republic we would like you to comment on the current situation, not only on a government level but also on a socioeconomic and sociopolitical level.

[Godoy] Many issues have been discussed for some time now. There is the problem of the withheld aid and, regarding this, the mention of a bribe to a group of deputies that caused a chain reaction. The latest tidbit, because it cannot even be labeled a scandal, is the ridiculous and infantile seizure by force of a vehicle belonging to a legislator by an executive branch official. As a result of all this, the nation continues in a crisis, and the crisis continues to be political. [passage omitted]

A report indicated that the international aid to Nicaragua was used to buy votes in the Legislative Assembly. This opened up a can of worms here, resulting in a scandal that is not over yet. This scandal puts not only the government but the whole nation in question. In the end, when these matters are taken as a point of reference for the making of this or that political decision abroad, it

is the whole nation that loses. It is not only the government that obviously loses credibility and trust, but the whole nation loses resources that are urgently needed to solve some problems that currently are held as crucial.

[Mora] What is going to happen to the aid for Nicaragua? What is going to happen to the aid currently withheld by the U.S. senators?

[Godoy] I think that aid will [15 second break in transmission] there are no loans made without prior conditions. Any of these two types of access to foreign resources, that is donations or credit, always expressly contain, in addition to being inferred, a large number of conditions. If a government does not want to accept the conditions it simply refuses the donation or it does not request credit. When a government receives a donation it will obviously receive it under certain conditions. When it is going to receive a loan it will also receive it under certain conditions. Therefore, the government has no other choice but to say: I will receive it under those conditions, because I need it because I have no other choice. Or, it decides: I refuse the loan or the donation because I want to save my dignity as a government, my independence as a government, my autonomy as a government, and my sovereignty as a state. But, you do not have the option of accepting it under the conditions and then deciding that these conditions will be put aside or that they will be changed along the way. This only leads to the problems we are currently facing with the suspended aid, since Senator Jesse Helms presented his objections. If you, Luis, or those who are listening to us, look again at Helms' seven points, you realize that they are political. This indicates the weight that political aspects have on the development of the nation's institutions or of the new government that took office on 25 April 1990.

[Mora] One of the issues that has alarmed Nicaraguans is the so-called cannon shot scandal. It appears that part of the international aid generously donated to Nicaragua's most needy was diverted by Antonio Ibarra, former deputy Presidency minister, to bribe at least six or seven deputies of the so-called center group. [passage omitted]

[Godoy] It happens that now corruption no longer only consists of—as was the case during Somoza's time—filling their wallets with money and increasing deposits to bank accounts, but also in perverting consciences. The fact that this passed from one state branch to another is really scandalous and deplorable from any standpoint.

This should be punished. The main punishment, the popular punishment is seen on the streets. There is continuous, constant, and permanent censorship. The people's criticisms of these people who reportedly received bribes and those who promoted them is very acrid, because the deputies alone are not responsible. [passage omitted]

[Mora] When the center groups were here—we actually invited everyone—but only Mr. Alejandro Solorzano and Andres Robles came. They said they alone should not be blamed because this scandal involves bribers and bribed. That is more or less what I understood. They are right to a certain extent. There are two protagonists here, the deputies, who reportedly sold out to the executive branch; and the executive branch, which bribed them.

Apparently, the visible person or the obvious briber was Deputy Presidency Minister Antonio Ibarra. Some have suggested that Ibarra was the main culprit. However, this is my question Dr. Godoy: Was Antonio Ibarra acting alone? [passage omitted]

[Godoy] The very fact that three months elapsed before the comptroller's office gained access to the remaining records indicates that the deputy presidency minister had protection. Who could provide him with that protection? His boss, the minister. It is clear that there was a cover-up at that ministry. [passage omitted]

[Mora] In other countries, where scandals break out, repercussions are felt. Even in cases where divisions among party members take place, I mean, when the political party that supports a president is divided or has internal problems, the president is driven to resign. That is what happened to former Prime Minister Margaret Thatcher, who brilliantly governed the United Kingdom for 11 years. After this scandal that has sullied the honor of Nicaraguans and our country, and has been a slap in the face to national honor, do you think there is anything the Presidency Ministry people can do, I mean the persons currently in charge of that ministry?

[Godoy] I think Lacayo must resign now. That is what he must do to try to help Nicaragua recover the credibility and reliability it lost abroad and to vindicate himself before the Nicaraguan people who have been watching him and criticizing him for the work he has done. If he does not resign voluntarily, he must be made to. What is going to happen now? If it is proven that there was at the very least a bribery attempt, let us not say the bribery was confirmed, Antonio Ibarra is not the only one who will stand trial, but Lacayo will also stand trial for concealment.

[Mora] [passage omitted] We have a caller on the telephone, and we want to put her on the air right now. Good morning, go ahead with your question.

[Unidentified caller] Good morning, I would like to ask a question to Vice President Godoy. I would like to know his stance on the U.S. aid that has been withheld from the Nicaraguan people. I would also like to ask the following: if the aid does come, what alternatives can he offer as vice president so that the money will reach the people directly? What is the position his party will outline, through Independent Liberal Party [PLI] President Wilfredo Navarro, who will soon be in the United States?

[Mora] Thank you for calling.

[Godoy] I have several answers. Beginning with your last question, I do not know what Navarro will say on his trip

to Washington if he does go. As far as I know, the PLI and Navarro stance is in support of the resumption of the aid but under very clear conditions, at least in terms of its use and destination in our country. Navarro has been very clear about this. If he goes to Washington, he will ask that the aid not be withheld much longer. He will simply explain the PLI stance, along with the other parties that will send representatives in that mission or that will accept the invitation made by some U.S. Congressmen.

[Mora] How do the liberals believe this aid should be restored?

[Godoy] By establishing adequate control mechanisms so the aid can reach where it should. [passage omitted] The point is that these resources should not be misused. There is talk these days of foreign cooperation used to purchase consciences; this is not what these resources are for. I believe that in the near future, aid—and I believe it will not be long before aid resumes—will not depend solely on the government's providing explanations, which it has already begun to give. The government is already explaining because it has suddenly given instructions for the Genie file to be sent to the military auditors, it has suddenly given instructions for the return of properties demanded by U.S. citizens, it is announcing that the National Police commands will be modified, and all in all it is showing that Senator Helms' seven-point letter will begin to be heeded.

In my opinion, however, this is not enough. Efficient control mechanisms must be established. The Office of the Comptroller General, for example, should have complete access, not two months after a scandal is announced; two months after auditors from the Finance Ministry have cleaned up Mr. Ibarra's desk, turning an empty desk over to the comptroller. Absolutely not. The comptroller should have access at all times so the foreign aid process can be regulated.

Furthermore, the government must state the conditions under which it has received or will continue receiving aid, because no one is aware of these conditions. I, at least, am not aware of them and I do not believe anyone knows what requirements were established by the AID [Agency for International Development], U.S. Government, or U.S. Congress for the concession of donations or aid to the Nicaraguan Government for the benefit of the Nicaraguan people.

[Mora] I would like your opinion from the legal standpoint—since you are an attorney who specializes in international law—even though the topic is local law, regarding the trial that has been initiated against General Humberto Ortega's bodyguards and Gen. Ortega himself for covering up the murder of young Jean Paul Genie. How effective has this trial been? What political repercussions will it have?

[Godoy] Obviously it is not very efficient. It is almost two years since the youth was killed and only now, under foreign pressure, is someone causing the legal system to send the record over to the military auditors. I do not know if the judge who sent the record—I believe his name is Ojeda—is the same one who dealt with the Genie case from the beginning. However, I remember that Venezuela provided a group of experts to try to solve the crime. When these experts made recommendations and passed judgment on the case, the judge handling it rejected all their reports because he had not requested them. In other words, he adopted a formal attitude in response to a very clear matter of expertise. These experts did not come here at the request of the Genie Lacayo family, but because the Venezuelan Government and other Venezuelan institutions wanted to help solve a crime that, beside the point, was stupid. [passage omitted]

[Mora] Mr. Godoy, with regard to the murders of Enrique Bermudez and Jean Paul Genie and the fact that no justice has been done in these cases and that U.S. Senators Helms, Dodd, and the other 10 senators who have joined them claim that approximately 150 fighters of the Nicaraguan Resistance [RN]—including Fernando, Commander Diogenes Hernandez who was murdered in Boaco Department; the murder attempt on Commander Ruben; the murder or mysterious death of Commanders Franklin, Efrain, Mondragon, Moises, and many others—have been selectively murdered by the Sandinist forces; do you share the opinion of the U.S. senators, who claim that Sandinist repressive forces are selectively killing their opposition?

[Godoy] That would not be strange. For example, with regard to a report published by LA PRENSA, I knew of Brigadier General Renan Montero for many years. But what surprised me is that he was still here after 25 April 1990.

I thought all these kinds of people had disappeared but it turns out that they were here for two more years, even more, with the new government. This is yet another slap in the face of this government's credibility. They keep terrorists like Renan Montero in Nicaragua directing maneuvers that could perfectly fit in as part of a plan for the selective elimination of former RN leaders.

I also understand that there has been some personal revenge and even some incidents that were not premeditated. But it would not be strange to find a plan to systematically eliminate those who could represent some kind of danger in the country.

[Mora] Mr. Godoy, we are running out of time but I would like to return to the topic of the efforts to establish unity among Nicaragua's liberals. With this I mean to discuss partisan politics. [passage omitted] Are there efforts currently under way to attain unity among Nicaragua's liberals?

[Godoy] We are working intensely on that. It is not an easy job. We made some different efforts earlier. We went to sign a paper at the theater, with music, and fireworks in the streets, and sandwiches and sodas later.

It was a very happy occasion. That enthusiasm lasted a bit and after a few weeks we had forgotten the papers we signed.

Now we are working to unite by stressing unity in the mentality of the different groups that form the current liberal movement in Nicaragua. The Independent Liberal Party [PLI] will also commemorate on 11 July, with activities throughout the country, in the capitals of all Nicaragua's departments and municipalities in Nicaragua, a liberal feast. Not a celebration of a PLI date, but one for all liberals. [passage omitted]

Lacayo on Foreign Aid, Intervention

PA1207161192 Managua EL NUEVO DIARIO in Spanish 10 Jul 92 p 8

[Article by Edgardo Barberena]

[Text] On 9 July, Antonio Lacayo, minister of the Presidency, reacted to remarks by Mrs. Deborah Moss, assistant to Republican Senator Jesse Helms, who said in Washington that she found the Nicaraguan delegation unconvincing.

Before meeting with members of the Nicaraguan Chamber of Commerce, Lacayo said Mrs. Moss is one of the U.S. officials who have already made their decision and will not change their political position "regardless of the information presented to them."

Both Nicaraguan Foreign Minister Ernesto Leal and Minister of the Government Alfredo Mendieta are in the United States holding talks with several U.S. Congress committees "to report on what is truly happening in Nicaragua."

"We know there are two types of people in Washington, those who appreciate the information on Nicaragua and those who have already decided and will not change their political stands regardless of the information received," Lacayo said.

Lacayo said President Violeta Chamorro extended a public invitation to Senator Helms to visit Nicaragua and that "she is so sure of the changes she has been making in Nicaragua, that she invites any person to come and see them."

Regarding the arrival in Managua on Friday 11 July of two members of the U.S. Foreign Relations Committee to investigate the so-called "bribes" of centrist deputies, Lacayo told reporters: "We will have no problem with the investigators."

"It would be good if they talk with centrist deputies and the comptroller general. If they talk with me, I will tell them the truth. They should talk with bank officials, who can tell them who has been delinquent on loans," he said.

"We must tell them that those who stopped amortizing their loans are linked to the country's production sectors, known as the Higher Council of Private Enterprise, and are mostly cotton growers. They stopped their payments, not because they want to, but because of the low cotton and coffee prices."

He continued to say: "We need foreign aid to finance our projects, but, for heaven's sake, leave us alone so we can construct our projects. We have been suffering from foreign intervention for the past 150 years. Whenever foreign powers, such as the United States and the Soviet Union—the latter meddled here the previous decade—intervene in our country, they make things more difficult."

"We want to live in peace. We are adults and believe that after the failures of the past—I do not mean just the past decade but the previous 100 years—we are clearly aware of what we want to do. We will certainly appreciate any help from friendly countries."

Ortega Says U.S. Pressure Threat to Poor

PA1107215392 Managua Sistema Nacional de Television Network in Spanish 0300 GMT 10 Jul 92

[From the nonofficial "Extravision" newscast, directed by Manuel Espinoza, former information minister under the Ortega administration; report by Jorge Gatin]

[Text] Daniel Ortega, secretary general of the Sandinist National Liberation Front [FSLN], referring to the suspension of U.S. aid to the government of Violeta Barrios de Chamorro, said the aim of the U.S. pressure is to annihilate the FSLN. He said U.S. policy has not changed at all from that implemented in the last decade by former president Ronald Reagan.

[Begin Ortega recording] They do not pose a threat only to the poor but also to those economic groups that are above the poverty line but still largely dependent on those resources to become stronger. We must note that the history of the United States toward Nicaragua is repeating itself. Just as the United States began to block Nicaragua in 1979 and 1980, especially when Ronald Reagan took office....[end recording]

Commenting on pressure for the dismissal of Army Chief General Humberto Ortega and National Police Chief Rene Vivas, Commander Daniel Ortega said the government must not yield because there are no legal or real grounds for it. Those demanding the head of the army chief are the same ones who were saved by Gen. Ortega's containment policy. Daniel Ortega acknowledged having political differences with his brother over the methods Humberto Ortega has used to comply with government plans.

[Begin Ortega recording] This is simply unconstitutional. We are simply defending the Constitution. The government must respect it. Right-wing groups should learn to respect the Constitution if they want a little peace and stability in the country. We should all strive for peace

and stability. [end recording] It was reported on 9 July that President Chamorro ruled out the possibility of dismissing Gen. Ortega.

'Commandos' Intercept Vehicles, Civilians

PA1207122892 Managua BARRICADA in Spanish 11 Jul 92 pp 1, 8

[Text] Yali-Condega—A group of armed recontras, self-styled "Commandos," keep the inhabitants of the rural valleys between El Bramadero and El Jocote in a state of anxiety because they have taken over the road and intercept public and private vehicles.

A BARRICADA team was traveling through the area on 10 July and was stopped by rebels with rifles and other weapons. The rebels talked with a threatening tone.

This newspaper's vehicle, with its occupants, was stopped on the road between El Bramadero and El Jocote. Our team of reporters could see that the armed men had stopped a private truck belonging to a local producer.

The group, which is formed by young men and several adolescents, were carrying AK-47 assault rifles and RPG-7 and M-79 rocket launchers, better known as "monkeys" [monos].

The chief identified himself as "Garrobo" and was the oldest of the approximately 20 men in the group.

"We are Commandos," said "Garrobo" when they stopped BARRICADA's vehicle. He then immediately gave orders to the troop to take positions at different points near the road.

Incoherently, "Garrobo" said they had decided to rearm themselves to pressure the government into fulfilling the agreements (of Sapoa?) regarding human rights. They also said they wanted the Sandinist Front to leave (?). [punctuation as published]

"We are the support in the mountains," he added without clarifying for whom.

Townspeople complained that armed men have assaulted civilians traveling in vehicles and on foot through these roads.

Border Surveillance Established With Honduras

PA1107044692 Managua Sistema Nacional Television Network in Spanish 0100 GMT 10 Jul 92

[Text] Nicaraguan and Honduran authorities met on 9 July and agreed to set up mechanisms for control and surveillance at border checkpoints and on surface routes.

The authorities agreed upon information mechanisms and designated liaison officers at border areas to coordinate compliance with those agreements. The authorities discussed drug trafficking, rustling, and illegal fishing. They also agreed to hold monthly meetings to assess the progress of the work.

FSLN Activities Mark Revolution Anniversary

PA1307003792 Managua Radio Sandino in Spanish 1300 GMT 12 Jul 92

[Text] The Sandinist National Liberation Front [FSLN] has launched activities in Managua to mark the 13th anniversary of the Sandinist people's revolution with a forum under the slogan: The FSLN in the Face of a National Crisis. At the forum FSLN Secretary General Daniel Ortega urged all FSLN rank and file and leaders to be tolerant and to listen to various opinions on Sandism.

During the forum, which lasted nearly seven hours, Ortega insisted it is undemocratic for any group to claim to possess the absolute truth and to try to exclude the diverse voices that coexist in the FSLN.

Panama

Reaction to U.S. Sentencing of Noriega Noted

Endara: Sentence 'Long Enough'

PA1107192192 Panama City Circuito RPC Television in Spanish 1730 GMT 11 Jul 92

[Text] President Guillermo Endara Galimany stated that Panamanians must now forget General Manuel Antonio Noriega and continue working for the country. He added that Noriega will now pay for all the crimes and abuses he committed against the people.

[Begin recording] [Endara] This is an act of justice, but an imperfect one because Noriega should also pay for all the murders, imprisonments, and human suffering he inflicted on Panama. In this case, he will only pay for using our country as a springboard for the drug-trafficking business. I believe, however, that the sentence is long enough because Noriega will be 94 years old in 40 years. By then he will be a human wretch, and nothing can be done by a man of 94.

[Unidentified reporter] Is your government pleased with this decision?

[Endara] The government has actually nothing to do with this decision. I can give you my personal opinion. I think the sentence is long enough because, as I said, nothing can be done by a man who has reached 94—if he ever reaches that age. A longer sentence would have been an exaggeration, which, perhaps, would make us feel pity for him. [end recording]

Experience Must Be 'Lesson'

PA1007233992 Panama City Circuito RPC Television in Spanish 2252 GMT 10 Jul 92

[Telephone statements by President Guillermo Endara to RPC Television—live]

[Text] The Panamanian people have received the news from the federal court in Miami with great relief, because it finally closes a painful chapter in our country's history. It has been proved once again that crime does not pay, and sooner or later there is justice. Noriega's sad experience must be a lesson for current and future generations of Panamanians. We must always remember it, but only to abhor it.

We must all remain on our guard to prevent such a tragedy from ever being repeated on our soil. We must do that while promoting the moral values and ethical principles trampled upon by Noriega and his gang of criminals, who abused power and the Panamanian people.

Let us now look with more optimism at our country's and our fatherland's future. Let us continue working to make it great and strong, and to make it progress, as we all desire.

Thank you very much.

Arias: 'Justice Has Been Served'

PA1107000392 Panama City Telemetro Television Network in Spanish 2257 GMT 10 Jul 92

[Interview with First Vice President Ricardo Arias Calderon by unidentified reporter in Panama City—live]

[Text] [Arias Calderon] I believe justice has been served. It comes on a day that means a great deal to Panamanians who fought against the dictatorship and in favor of democracy: the fifth anniversary of Black Friday. We can now look toward the future, but we must make a stronger commitment to that future: Panama must become a truly fair democracy. It must be juridically fair, and we have a long way to go to achieve that. It must be socially fair, and we have even farther to go to achieve that. Now we can work more freely to reach the future that we so desire but is not yet within our reach.

[Reporter] What is your opinion on what former dictator Manuel Antonio Noriega had to say during the trial and before the sentencing?

[Arias Calderon] I did not hear what he said. Manuel Antonio Noriega's words mean nothing to me. They are the words of a criminal.

[Reporter] On the 40 year sentence?

[Arias Calderon] He deserved much more, much more, but 40 years is a lot, and it is what justice has dealt him.

[Reporter] Thank you, Mr. Vice President.

[Arias Calderon] You are welcome.

'Fair Trial' Given

PA1107013192 Panama City TVN Television Network in Spanish 0018 GMT 11 Jul 92

[Interview with Second Vice President Guillermo Ford by unidentified reporters on 10 July; place not given—recorded]

[Text] [Ford] First we must acknowledge the fact that former General Manuel Antonio Noriega voluntarily surrendered to U.S. authorities. History must record facts correctly and precisely. The day he stepped out of the Apostolic Nunciature, he voluntarily surrendered to U.S. forces; that is, he chose U.S. justice. I think he was given a fair trial that proved once again that crime does not pay. Now there is no precedent for any military man who may think he can use the arms and forces entrusted to him by the Panamanian people against those people.

I do not think former Gen. Noriega wanted to answer to Panamanian justice. That is too bad. He has been tried for crimes committed against the United States, but he has not been tried for crimes he committed against Panama.

[Reporter] Do you think the severity of his sentence meets the Panamanian people's expectations?

[Ford] I do not think sentences can be measured in years. They should be measured in terms of the frustration that must be felt by a man who felt invincible, who stepped on national dignity, who wrapped himself in false nationalism, and who brutally punished the people. I think 40 years is enough if Noriega, at his age, serves the full sentence in a U.S. prison.

[Reporter] Do you think he should also face the charges filed against him in Tampa?

[Ford] I do not want to express my opinion on a matter that concerns the United States. I cannot speak in legal terms because I am not an attorney, but I believe Panama must maintain all the cases Noriega has pending in Panama, such as the Father Gallego case, so many abuses, because a clear precedent must be set. Crime does not pay, and those who wrote the black pages of history with Noriega—his many assistants and people who were around him and who are still free in Panama—must be brought to justice. They should still enjoy legal guarantees, but they must be punished if they are found guilty.

[Reporter] What does this sentence mean to Panama?

[Ford] It is evidence that dictatorships must be eradicated, that military people have an important role to play in democracy—that is, safeguarding the lives, honor, and property of the citizens. They cannot, however, use this power, which they sometimes think is the highest authority, to serve their interests against the people they should be serving.

[Reporter] Someone has said that Panama would have never been able to try Noriega, that it had to be the United States.

[Ford] I do not believe that. The problem is that Noriega cowardly chose the justice that he thought would suit him better. Remember the day he surrendered to U.S. justice? The people of Panama were in the streets angrily calling for justice. He chose that road. As far as I am concerned, we have turned a corner in democracy's night, the democracy that we Panamanians recovered and that we hope never to lose again.

[Reporter] Mr. Ford, much has been said in these years about what was done and what was not done during the dictatorship. Now that we have turned the page, what should Panamanians do?

[Ford] Remember that there is no better system than democracy. That is my opinion. Democracy should not be confused with anarchy. I am talking about a serious democracy, one that respects institutions, officials, and all human beings. There must be absolute respect for human beings. In democracy everyone can prosper. In dictatorships only shameless people who surrender to dictators can prosper. I think this has been a good example for our country. We must understand each other within the democratic process. In spite of the faults it may have, I do not think there is a better system.

Attorney General Comments

PA1107001892 Panama City Circuito RPC Television in Spanish 2300 GMT 10 Jul 92

[Interview with Attorney General Rogelio Cruz by unidentified reporters in Panama City on 10 July—recorded]

[Text] [Cruz] I do not think any jury's verdict or judge's sentence fully satisfies the expectations of the parties involved, especially in a case important not only for Panama, but also for the United States and perhaps the entire world.

[First reporter] Could Noriega be tried in Panama after serving his sentence?

[Cruz] Evidently he cannot be tried after that. He can be tried before, though, and that is what we are doing now.

[Second reporter] Mr. Attorney General, have Noriega's defense lawyers requested that he be tried here in Panama?

[Cruz] We do not need them to request it. Please remember that Panamanian law allows a person to be tried in absentia. That is what we have been working on. We have been preparing the various summaries on different crimes, and I am sure he will soon be tried in Panama on several charges, even though he is not here.

Legislator Aleman Boyd Remarks

PA1107032492 Panama City Circuito RPC Television in Spanish 2300 GMT 10 Jul 92

[Statement by Legislator Alberto Aleman Boyd of the opposition Democratic Revolutionary Party in Panama City on 10 July—recorded]

[Text] This is what happens when men stray from the conduct that should guide their life along a straight path. General Manuel Antonio Noriega's current situation is the right one, according to U.S. legal procedures. I would like to take this opportunity to point out that this is a situation from which the present governors are not exempt.

Recovery Movement Demands Leadership Resign

PA1007201792 Panama City LA PRENSA in Spanish 9 Jul 92 p 3

[Report by Jose Quintero]

[Text] The National Recovery Movement [MNR] held a news conference on 8 July to report that they have requested the resignation of President Guillermo Endara and Vice Presidents Ricardo Arias Calderon and Guillermo Ford in a letter dated 1 July. The letter has been mailed and, according to the law, they have 30 days in which to respond.

Roberto Arosemena Jaen, the sociologist and university professor who leads the movement, said the goal of the letter is to allow the country to form, without shock or trauma, a new government by holding presidential elections, as stated by Article 184 of the political Constitution.

According to Arosemena, the tasks of the new government would be democratizing Panama, seeing to the most urgent needs of society, and instituting the immediate moralization of public and private life.

The message from the MNR, which describes itself as a nonpartisan organization, says that unfortunately for the country, the majority of whom in May 1989 trusted Endara and the rank and file of his party, who sacrificed their well-being to support his candidacy—he has failed to fulfill his pledges and constitutional duties.

The letter states: "The MNR views with concern the negligence of the government, the usurpation of duties, the lack of independence in the state branches, the increasing poverty of our people, and other reasons that compel us to demand that you resign."

Asked what the MNR attitude will be if the three leaders refuse to resign, Arosemena said Article 41 of the Constitution states every citizen has the right to expect a reply within 30 days of sending a message, and the movement expects a reply.

In any case, if they do not agree to the request, the movement will opt for leading a mobilization to force the president to resign through a trial; the elections would then be announced.

The president of the organization rejected the idea that forcing the president and the two vice presidents to resign would be tantamount to a coup d'etat. "It is not a coup d'etat. The National Constitution marks the way. They failed to fulfill their duty," he explained.

Referring to the social crisis, Arosemena said it is so great that the only solution would be to form a Constituent Assembly. Talking about possible intimidations, he said the group is prepared for any attack, because former Government Minister Rodolfo Chiari did it once and Government Minister Juan B. Chevalier may do it tomorrow.

The MNR vice president said this is a movement defined as a defense of the principle that public administration is at the service of society. In this regard, it does not endorse the oligarchy, which wants the country at its service.

Talking about the November referendum, the leader warned that the MNR will support a majority vote of no, because it understands the people do not accept constitutional reforms; they want a change in government.

Declaration on Economic Modernization Program

PA1207173492 Panama City EL SIGLO in Spanish 10 Jul 92 p 28

[Declaration issued by Guillermo Ford, planning and economic policy minister; Cesar Pereira, agriculture development minister; and Mario Galindo, finance and treasury minister, in Panama City; date not given]

[Text] Regarding the confusion between agriculture producers and public opinion, which has led certain sectors to interpret the Economic Modernization Program section on agricultural products imports, as a way of destroying important activities within that sector, we:

—The minister of planning and economic policy, responsible for the integral planning of the national economy,

—the minister of agricultural development, responsible for the sector in the current economic system generating the most employment, and

—the minister of finance and treasury, responsible for applying the customs tariffs that, in the future, will provide adequate protection to all national producers:

Declare:

1. At no time has the national government considered the possibility of "destroying" the agricultural sector or part of the sector.

2. The elimination of quotas, as well as other import restrictions, at no time will be comparable to opening the borders to competition from subsidized foreign goods, or any other form that represents unfair competition to national production.

3. The level of the customs tariff will provide adequate protection to the current national production level, as well as to any other production that is developed in the future under efficient conditions.

4. A change in the "import substitution model" to one of "production for export" opens significant prospects to the national agricultural sector. It offers the opportunity of unlimited growth in all those activities representing a comparative advantage.

Considering the above mentioned points, we urge all national producers to intensify their national production efforts with the assurance that the national government and the new economic model will be their best allies.

It is very likely that during this transition stage certain difficulties may arise. The national government has sufficient technical and legal mechanisms to implement adjustments and changes in those instances where any measure, once implemented, may result in adverse effects, or where there is evidence that the protection levels offered may be unproductive to the adequate operation of any national agricultural activity.

[Signed] Guillermo Ford, minister of planning and economic policy
Cesar Pereira, minister of agricultural development
Mario Galindo, minister of finance and treasury

Argentina

Menem Links Terrorist to Labor Protests

PY1107011092 Buenos Aires BUENOS AIRES HERALD in English 10 Jul 92 pp 1, 11

[Excerpts] San Miguel de Tucuman (NA-DYN)—President Carlos Menem presided over the central ceremony, making the 176th anniversary of the Declaration of Independence. The ceremony ended with a civilian-military parade on the streets of this city, where the Declaration of Independence was signed in 1816.

In a press conference after the parade, Menem surprisingly linked terrorist Enrique Gorriaran Merlo to the recent labour protests—specifically, the teachers' demonstrations both for higher wages and against the education draft law currently under discussion in Congress.

Speaking briefly with the press at the Tucuman airport, Menem said that Gorriaran Merlo "is behind the activities of some sectors in Argentina. I would recommend that parents and teachers not send their children to the streets because they can become victims of those subversives," said Menem. He was answering a question on the possible activities in Argentina of the Peruvian terrorist group Sendero Luminoso (Shining Path).

"I tell the organizers of these social protests to be very careful, because they use their freedom to demonstrate but they should not exaggerate. Because that is when these criminals appear and try to take advantage of this type of demonstration," the President underlined.

Menem warned that "the situation is explosive considering that in nearby countries there are terrorist actions costing thousands of Latin American lives." [passage omitted]

Menem once again accused the Radical Party, the Movement Towards Socialism (MAS) and the Workers' Party (PO) of participating in the demonstrations against the government. "These are the same groups that left the country with 200 percent inflation," he emphasized. [passage omitted]

Remarks Get Negative Reaction

PY1307024092 Buenos Aires BUENOS AIRES HERALD in English 11 Jul 92 p 1

[Text] President Carlos Menem's statements on Thursday in Tucuman linking the teachers and students protests with terrorist activities and warning that there could be "new contingents of parents claiming their children in Plaza de Mayo" produced a unanimous negative reaction from unions, opposition parties, human rights organizations and students' groups.

CTERA [Confederation of Education Workers of the Argentine Republic] teachers federation and a dozen human rights groups decided to stage a march repudiating Menem's statements. The march—which will take place in a still undecided day next week—is aimed at "confronting death and veiled threats with our open, good-humoured and democratic street demonstration," said CTERA Secretary- General Mary Sanchez.

While several government officials resorted to various arguments to explain that Menem was really "giving an advice" rather than threatening the participants in demonstrations and marches against the government's education policy, most of the critics preferred to interpret the presidential words as a warning that there could be state repression similar to that of the 1976-1983 military dictatorship against those who oppose the official plans.

Interior Minister Jose Luis Manzano said that two members of the Peruvian terrorist group Sendero Luminoso had been arrested in Argentina and their extradition is under discussion with Peruvian authorities.

The minister added that the SIDE [Secretariat for State Intelligence] state intelligence has detected groups of Movement for the Fatherland (MTP) militants trying to get intellectuals into their ranks. He also suggested that terrorist leader Enrique Gorriaran Merlo could be "operating in Bolivia or southern Brazil" with contacts in Argentina.

A small group of MTP activists stormed into a military barrack in 1989 in the most violent terrorist action sice the seventies. Gorriaran Merlo, whose presence in Argentina at that time was never demonstrated, is believed to have been the mastermind behind the bloody attack.

Defense Minister Antonio Erman Gonzalez interpreted his boss' statements as "a sound piece of advice" because young students "can be used as cannon fodder with the possible introduction of terrorists in their protest activities."

But political leaders and legislators of parties other than the governing Justicialist Party took the President's words more literally. "It's terrible, very serious, almost macabre," said Radical Senator-elect Fernando de la Rua.

Meanwhile, a CTERA press release expressed the "astonishment" and "indignation" of the teachers' union leaders at the head of state's suggestion that their protests were linked to the subversive forces of the seventies or to terrorist groups outside Argentina.

Two opposition leaders took their protest as far as to present writs containing charges against Menem.

Socialist Deputy Alfredo Bravo accused the head of state of making "public threats and intimidation" and asked Federal Judge Ricardo Wechsler to investigate whether Menem can be brought to court and face charges for his statements. In addition, Radical leader Roberto Bases asked Federal Judge Miguel Pons to summon the President to explain whether or not his words were intended to be a threat that illegal kidnappings will return as a political practice in Argentina.

Meanwhile, the Mothers of the Plaza de Mayo (Founding Line) recalled that "our children were kidnapped and murdered by the military dictators whom President Menem pardoned" and wondered if the head of state "is thinking of reinstating state terrorism in Argentina."

The Permanent Assembly for Human Rights also compared the presidential remarks to the line of thought of military dictators in the past. The institution demanded "an urgent rectification and a confirmation that the government will respect the law on absolute terms."

The Radical university students' group Franja Morada stated that "the President is losing his sense of reality. He feels frustrated because he cannot get reelected and in his impotence he uses the same threats as the generals he pardoned and calls all those who oppose his policies subversives."

CEMIDA (Centre of Military Officials for Democracy) stressed that "Menem undoubtedly is carrying out a policy of intimidation because he is saying there could be missing people, and for people to disappear there must be an illegal-repression structure like the one organized by the dictatorship."

Menem on Privatization, Demonstration

PY1007175492 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 9 Jul 92

[Text] President Carlos Menem has emphasized that, by implementing a privatization process, the government is planting the seed of a new country.

Menem also reiterated the necessity to organize the state so that, through increased growth, production, and employment, it will be able collect the necessary resources in order to use them in the health, education, justice, and security fields.

The head of state stressed that the government is leaving for the private sector all the activities that the sector can handle because entrepreneurs are businessmen, laborers, who invest, produce, and risk capital.

In his message to close the northwestern provinces governors meeting, Carlos Menem reiterated that this is the year of the completion of privatizations and that this involves the president's and his aides' word of honor.

Addressing the governors, Menem recalled: After the state reform, we have managed, among other things, to reduce state losses from $8 billion in 1989 to $1 billion this year.

The president noted that only a Chamber of Deputies' approval is missing for the provinces, through the new legislation, to definitely exploit their resources and gradually become economically powerful provinces.

Menem added: to govern is to populate and provide jobs, but also to be with the people, without hypocrisies, without lies, and without promising things that later we will be unable to meet.

The president minimized the disturbances barely 100 meters from the site where the [governors meeting closing] ceremony was held in San Salvador de Jujuy. The president said: This was an action by a group of Jujuy people who are not satisfied with our policies and who have become demonstrators through their failure. This is just worth a dime, he said.

Menem: U.S. Watching Argentina for Solutions

PY1107001692 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2104 GMT 10 Jul 92

[Text] Buenos Aires, 10 Jul (NA)—President Carlos Menem said today: "The United States is watching Argentina, to do there what we are doing here, because they are experiencing a very difficult time in that country."

"More than a year and a half ago I had the opportunity to talk to some U.S. congressmen who told me that what 'you, President Menem, are doing, we will have to do very soon in the United States—otherwise we will have no future,'" the president said.

Menem made these remarks during the ceremony marking the implementation of the "fund for financing social programs in the metropolitan area" held at noon today at the 17 October country house in San Vicente, together with Buenos Aires Governor Eduardo Duhalde.

Menem, who arrived piloting a helicopter from the Olivos residence, presided over the ceremony attended by Interior Minister Jose Luis Manzano, Presidential Secretary General Eduardo Bauza, Buenos Aires Vice Governor Rafael Roma, Chamber of Deputies President Alberto Pierri, provincial legislators, and mayors of the Greater Buenos Aires districts.

Menem began by recalling that when Duhalde won the elections, they met and planned the implementation of an assistance program for the metropolitan area's 8.8 million inhabitants.

He said: "The first thing we did was to try finding the funds to carry out those projects."

He added: "in this manner, the national Congress approved Law No. 24073, which channeled 10 percent of the tax on profit" toward infrastructure projects in the Buenos Aires metropolitan area.

The collection of this tax is estimated at 250 million pesos annually, with which the government will finance infrastructure projects in education, sanitation, light, water, sewage, paving, and other projects in all districts of Greater Buenos Aires.

Gov. Duhalde then said: "Of the metropolitan area's 8.8 million inhabitants, 44 percent are in a situation of extreme poverty and lack essential services such as running water."

He added: "There is a deficit of 800,000 houses and a million people live in precarious settlements and villages."

The provincial governor said: "For 40 years no hospital has been built in the urban area. Consequently, the hospital bed deficit is 2,000.

He added: "Now, with these funds, 20 new hospitals with 2,000 beds will be built, including five large ones and 15 smaller ones."

He went on to say that "in the education area, all existing school infrastructure, which includes 2,500 buildings" will be refurbished within the next four years," and "all necessary teaching material and study supplies" will be provided.

Concerning security, Duhalde said: "The government will finance the purchase of 500 patrol vehicles to modernize the Buenos Aires Province police fleet."

The plan implemented today includes the construction of 100 sports facilities, doubling within the next four years the number of people using running water and sewage. The plan also includes building 350 nurseries, orphanages, and daycare centers for the aged.

The program also includes the extension of gas and electricity lines and urban drainage projects to solve once and for all the continuous flooding problems affecting different areas.

In addition, this program creates some 50,000 direct employment opportunities, because the projects to be carried out require skilled manpower.

Before boarding the helicopter, at photographers' requests, the president posed with Duhalde for some pictures, and jokingly said: "This will be the platform for the year 2000," thus ruling out the possibility of running for reelection in 1995.

Menem, who left without making any statements because of a severe sore throat, boarded the helicopter, took the pilot's seat, and flew directly to the Olivos presidential residence, thereby refusing Duhalde's lunch invitation at his country house in San Vicente.

Army Chief of Staff on Army Reorganization

PY1007181292 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 9 Jul 92

[Report by Americo Sanchez from Cordoba]

[Excerpt] Army Chief of Staff General Martin Balza yesterday said in Cordoba that all the Army personnel greatly value the ratification of the Argentine sovereignty over the Malvinas Islands that was voiced by President Carlos Saul Menem.

The Army chief of staff was thus referring to expressions voiced by the Armed Forces commander in chief during the yearly comradeship dinner held in the federal capital to mark another year of Argentine independence.

Concerning the Army reorganization issue, Balza said it is being implemented in keeping with the schedule and duly established timetable.

We are very motivated and greatly optimistic with respect to the Army streamlining and reorganization, Balza stressed. All scheduled actions have been carried out and some mid-term programs will be completed shortly, he concluded. [passage omitted]

Nuclear Reactor Reactivated After 17 Years

PY1007012492 Buenos Aires TELAM in Spanish 1240 GMT 7 Jul 92

[Text] Cordoba, 7 Jul (TELAM)—The RA-10 nuclear reactor intended for research and training purposes operated again 17 years after it was completely deactivated. The reactor is at the facilities of the Mathematics, Physics, and Natural Science School of Cordoba National University.

The reactor that was dedicated in 1971 went into operation after work conducted by 10 experts from the National Commission for Atomic Energy [CNEA]. It operated until 1975, when its nucleus was removed and sent to Peru in the sale of nuclear technology to that country.

University authorities reported the reactor will be used for research and training purposes and to render services to the official and private sectors, including the irradiation of foods and the sterilization of medical instruments.

Bolivia

Political Parties Sign Reform Document

PY1007140292 La Paz Radio Fides Network in Spanish 1100 GMT 10 Jul 92

[Excerpts] Despite their different viewpoints, the leaders of the political parties represented in congress met last night in government house. The leaders met to sign an agreement to modernize the state and to strengthen democracy. After President Jaime Paz Zamora met individually last May with every political party president, they all met once again with the president to sign a document to begin the reform process to modernize the judicial branch, the civil and the sole national registry service, and the education system. The document also aims to implement administrative decentralization, to amend the Constitution, to hasten the Garcia Meza trial, to reform the election law, the national comptroller

election system, the coca industrialization law, and finally, the political parties law. The political leaders spoke during the ceremony. [passage omitted]

[Begin Paz recording] This meeting is not for solving a crisis. This meeting is to jointly assume challenges that are in the interest of each and every Bolivian. [end recording]

Vice President Urges Citizens To Fight Terrorism

PY1007174492 La Paz Television Boliviana Network in Spanish 0200 GMT 9 Jul 92

[Text] Vice President Luis Ossio Sanjines has said that terrorism will be defeated in Bolivia only through the participation of all citizens. He added that the government's actions are not enough and that the most important thing is for citizens to participate in the struggle to eradicate terrorism.

[Begin recording] [Ossio Sanjines] I believe that those who believe that problems can be resolved in this manner should be aware that by resorting to these means they will only be harming many innocent people in low income groups and themselves.

I believe that the press, Congress, and national institutions should launch a publicity campaign to make those who still believe in this alternative aware that these actions have never yielded any results anywhere in the world.

[Unidentified reporter] Speaking of other issues, what are the possibilities of implementing some measures to avoid, for example, the entrance of Peruvians, many of whom have been arrested for their involvement in these actions in operations that have been carried out?

[Ossio Sanjines] I do not believe we can specify the nationality of those who are involved in actions that are undermining the peaceful coexistence of Bolivians. Obviously, what must be done is to comply with the law, but we cannot accuse any specific country or citizen in general because this would be very unjust.

Peruvians, Bolivians, Colombians, or Argentines deserve the respect of all men of law. However, those who violate the law must be punished, but not at the expense of innocent people. [end recording]

Armed Forces To Help

PY1107122992 La Paz Television Boliviana Network in Spanish 0200 GMT 11 Jul 92

[Text] The Bolivian Armed Forces will participate in intelligence work to create a more solid front against narcoterrorism. We reject and deplore narcoterrorists, and for this reason the Armed Forces will participate in actions against these groups, said General Oscar Vargas Lorenzetti, Armed Forces commander in chief. [title as heard] He added that all units are well prepared.

[Begin recording] [Vargas Lorenzetti] The Armed Forces are in a position to take action against terrorism, because we reject and deplore them. We reject them categorically.

[Unidentified reporter] To what extent will the Armed Forces participate in this?

[Vargas Lorenzetti] As I said, we are engaged in continuing the intelligence work. This is our main activity right now. Since terrorism can emerge anywhere and at any time, we must be prepared to face unpredicted difficulties, and the people must help reject these terrorist activities which jeopardize the lives of many innocent people, as we have seen lately. [end recording]

Human Rights Group Denounces U.S. Presence

PY1007173092 La Paz PRESENCIA in Spanish 25 Jun 92 Section 2 p 1

[Text] Cochabamba—The Bolivian Permanent Human Rights Assembly (APDH) today denounced the "docile" Bolivian Government for yielding national territory to the U.S. military forces "in exchange for nothing."

The public statement delivered to PRESENCIA rejects the U.S. "imperial arrogance" reflected in the control exercised by the DEA over the residents of the Chapare zone and the arrival of more troops.

The communique states that DEA agents patrol, carry out raids, arrest people, and control citizens in the coca-producing zones and in other residential areas. It then adds: "Such an offense cannot continue. It is time that true Bolivian citizens defend their national dignity and sovereignty and, consequently, that we expel the DEA agents from the country."

The APDH believes it is "urgent and necessary" to reach agreement to expel the DEA agents from the country and, therefore, request that all Bolivian organizations voice their opinion in this regard.

Moreover, the APDH rejects and repudiates the arrival of more U.S. military personnel who "just by chance" have arrived in Bolivia "at the time the U.S. Supreme Court has decided to approve abuse, arrogance, and the continuous violations committed by their security forces."

The communique then says: "In view of the imminent presence, once again, of U.S. military troops in our country, we must show clear signs of our disgust and for this we suggest that the entire Bolivian population stage a great march against the U.S. military presence and against the U.S. Supreme Court's decision to legalize arrogance, abuse, and the humiliation of the people."

Bishop Complains About DEA Agents' Attitude

PY1007180692 La Paz Radio Fides Network in Spanish 1100 GMT 10 Jul 92

[Report from Riberalta by Felix Alberto Salas]

[Text] The U.S. ambassador has said that the apostolic vicar Bishop of Pando seated in Riberalta, Monsignor (Luis Casey), is a liar, and we do not believe him.

Priests from the Pando vicariate reject the statements made by U.S. Ambassador Richard Bowers, who said that Msgr. (Casey) did not tell the truth about the incident on the Orton River.

According to the people involved in the incident, that is, a Bolivian priest and two laymen, they were intercepted by a Pirana flat-bottom motorboat on the Orton River. Based on their statements, Msgr. (Casey) publicly complained. He said that last 12 June at 1000, a motorboat from the vicariate that was on a pastoral mission on the Orton River was intercepted by a Pirana motorboat carrying uniformed military personnel. The priest and the laymen reported that there were at least nine uniformed individuals, at least two [as heard] of whom were from the U.S. Army and who boarded the vicariate's boat to request identification and to determine whether they were transporting weapons. At that moment, the priest emerged from his cabin and asked in English what was going on. They conversed in English. In the conversation, the priest and the two laymen learned that one of the Americans was from Puerto Rico, one was from Maryland, and another one from Washington. The Americans said in English: We better leave before we are seen.

At no time did they have the cup of coffee mentioned by the U.S. ambassador. Later in the evening, the priest and the two laymen observed another Piranha motorboat anchored by a Bolivian Navy motorboat in Puerto Estacones.

Msgr. (Casey) said that never before had such an event taken place in the nearly 50 years the [name indistinct] mission had worked in the region. The most serious thing, he said, is that foreign military personnel are demanding identification from Bolivians. Msgr. (Casey) asked himself what would have happened if on board the vicariate's boat there would have been only the two Bolivian laymen and not the priest.

A few days after the incident Captain Freddy Valla Aguirre, commander of the Riberalta Navy base, confirmed the presence of uniformed DEA agents who are patrolling the rivers of the region, together with the Bolivian task forces. Cpt. Valla said that they are checking for drug trafficking and navigation activities. No one knew it was a vicariate motorboat, he said. There is nothing to hide, everyone knows we have DEA members, but they were not alone, the captain said.

In Guayaramerin, Caritas [Catholic Church welfare organization] organizers two months ago reported that their boat was intercepted and boarded by uniformed personnel on the Mamore River, earnestly searching for drugs. The military men broke a container without giving any explanation. These were the reports that bothered Msgr. (Casey).

U.S.Urged To Respect, Support

PY1007142192 La Paz Radio Fides Network in Spanish 1100 GMT 10 Jul 92

[Commentary by Father Fernando Iribarne]

[Text] Yesterday, at the end of our program, we requested that the U.S. ambassador hold a news conference explaining activities of the DEA. In an unprecedented action on which we want to remark, the U.S. ambassador held a news conference in the afternoon that was very transparent and clear.

We reiterate to those people listening to us in the U.S. Embassy that it would be a great pleasure for La Hora del Pais [the title of the newscast] and all our listeners to say that our relations with the United States have improved and must improve further, but always through respect for us, by supporting us, and by making us feel that we, the Bolivian people, are the ones who must determine the destiny of our country. Our relations with the United States should be the most fraternal, transparent, and as friendly as possible.

Coca Farmers Criticize Coca Eradication Policy

PY1107175092 La Paz PRESENCIA in Spanish 4 Jul 92 p 7

[Text] Sucre, 3 Jul (Erbol [Bolivian Radio Education System—Educacion Radiofonica de Bolivia] - special correspondent)—The peasants here criticized the government coca eradication policy and said that as a consequence of this policy Bolivia lost $1.706 billion between 1987 and 1990.

The report prepared by the coca commission [comision de la coca] states that so far more than 22,000 hectares of coca plantations have been destroyed without observing any progress in the alternative development program.

In comparison with the eradication of coca plantations, alternative development has not reached 1 percent, negatively affecting the peasants.

Between 1987 and 1990, more than 29,000 people lost their jobs as coca plantations were eradicated in La Paz and Cochabamba Departments.

According to the report, at least 80,000 families depend directly on the coca economy and about 1 million depend on it indirectly.

The coca economy has politically sustained the last few governments; otherwise, they have gone from crisis to crisis, the report states.

Given the remarkable influence of the coca economy, politicians from both the left and right are trying to win the support of the coca growers to strengthen themselves.

The report states that internationally, since the war against Communism is over, actions are now aimed at the war against coca.

The peasants, the document states, will never cease defending the coca leaf because it represents their culture and it serves them as medicine.

The document also states that "U.S. soldiers have never peacefully left the territory they occupied. For that reason, the peasants will become the force that will throw them out of the country."

The coca peasants also want the Bolivian Armed Forces and Congress to make a declaration about the arrival of U.S. soldiers in Bolivia.

The peasants expressed their surprise at the penetration of the "gringos" who come in groups of 300 to build a public bathroom.

The Americans are only interested in the eradication of coca plantations and for this purpose the Bolivian Government has become a DEA helper.

As for the agreements with the United States, the coca peasants say that in the name of alternative development, the Bolivian Government is interested only in receiving funds to compensate its balance of payments. It does nothing to help coca farmers.

It seems: "the proposal is that there will be development only when there are no more coca leaves," the document states.

The peasants approved the defense of the coca plantations, something that will be implemented through demonstrations that will be organized by the leaders of the coca farmers.

Cuba Interested in Industrializing Coca

PY1107190392 La Paz PRESENCIA in Spanish 1 Jul 92 Section 2 p 2

[By Sixto Valdez C.]

[Excerpt] Sucre, 30 Jun—In face of the "repressive and authoritative" criterion of the United States that intends to "blindly" impose the eradication of coca crops, the Republic of Cuba has preferred to industrialize "the sacred leaf." Cuba has the scientific and technological capability to do so, said Evo Morales, the main leader of the Cochabamba coca farmers.

Morales, who is attending the Fifth Congress of the General Trade Union Confederation of Peasant Workers of Bolivia (CSUTCB), made this statement as he reported on the situation of 60,000 seasonal peasants of the Bolivian high plateau, valleys, and Chaco region, who do not agree with the U.S. antidrug policy.

"We are tired of so much abuse and prepotency by the United States. On the one hand they arbitrarily want to force us to eradicate our coca plantations without taking into consideration our economic, cultural, and historical situation; and on the other hand the DEA agents are committing violent abuses, not only against the peasants but also against other citizens," Morales said.

"Fortunately, several European countries have understood the meaning of the coca leaf for us and that is why they adopted a different criterion. It is good that the people understand that the coca leaf is not harmful or dangerous. It is not poison. The big businessmen, those who make chemical products, are bad. They are the ones to blame," Morales added.

Morales showed indignation at the fact that the United States is applying "an authoritative and repressive criterion" in its analysis of the coca leaf and cocaine: The United States does not want to understand that the harshest struggle must be aimed at the U.S. consumers and traffickers. "They apply a big stick policy against us but not against U.S. residents. This leads us to understand that the United States is not interested in reducing the amount of drugs, but in controlling the manufacturing of cocaine."

Morales said that "the United States wants to take the coca leaves from us in order to monopolize them. We have evidence that there are coca plantations in Puerto Rico, a gringo colony where the same thing that happened with marijuana will take place. We all know that the United States forced the eradication of marijuana in Colombia, but now the United States is the world's second largest marijuana producer."

Morales said that the 60,000 coca producers of the tropical Cochabamba region are not willing to eradicate their coca crops because the alternative development program "has failed" while the poverty of thousands of peasants has increased: "We will not reduce our production since Cuba is willing to industrialize our coca. This proposal is more convincing than the arrogant position of the United States, which seeks only to repress and not offer fair alternative solutions," Morales said. [passage omitted]

U.S. Gives Preferential Treatment to Exports

PY1107160292 La Paz Television Boliviana Network in Spanish 0200 GMT 11 Jul 92

[Text] Did you know Bolivia has preferential treatment status to export products to the United States with no customs duties? Only seven products cannot be exported to the United States. They are (?tuna fish), shoes, textiles, sugar, clocks, oil, and oil by-products. Bolivian leather products have a 20 percent import customs duty discount in the United States. This was reported by Export and Economic Competitiveness Minister Fernando Campero Prudencio.

[Begin Campero recording] Bolivia has been included in the preferential treatment law for the Andean countries, the ACPA [expansion unknown] treaty as it is known. This will allow Bolivia—and all Bolivian producers and exporters should learn this—to export all its products except for seven items, of which we will give you a list, to the United States with no import customs duties. This means that any Bolivian producer, any product produced here, or any investor from another country who produces here in Bolivia, may export his products to the United States without paying any customs duties. I would say this is one of the great achievements of this administration, thanks to the work of Bolivian Ambassador to the United States Jorge Crespo. [end recording]

New Central Bank President Appointed

PY1207011592 La Paz PRESENCIA in Spanish 23 Jun 92 p 12

[Summary] The government has appointed Armando Mendez Morales as the new president of the Bolivian Central Bank, replacing Raul Boada, who resigned. Mendez, who is 46 years of age, has a degree in economics from the University of Chile.

Roca Suarez Extradited on Drug Charges

PY1107122392 La Paz Television Boliviana Network in Spanish 0200 GMT 11 Jul 92

[Text] This morning Asunta Roca Suarez left for the United States, thus complying with the extradition request to be tried by the U.S. courts on several charges related to drug trafficking.

In the midst of strong security measures, Asunta Roca Suarez was taken to the military airbase accompanied by her lawyer. There she boarded a DEA plane with registration number M7896, which will take her to the United States with a stopover in Colombia.

According to Justice Under Secretary Marcelo Salinas, what the executive branch has done was to comply with the Supreme Court ruling. Salinas said that there is no problem whatsoever regarding the prohibition to leave the country, because all legal issues have been solved and the government has followed step-by-step the legal mechanisms.

According to Salinas, the prohibition to leave the country was based on Article 31 of the national constitution which establishes that all actions of any official who acts without jurisdiction and legal authority are void, and in this case the judge acted without jurisdiction and legal authority because it was no up to him to hear the case.

Brazil

Results of Popular Poll on Collor Released

PY1207031092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 5 Jul 92 section 1 p 8

[Summary] According to a poll conducted by DataFolha in 11 large cities on 1 and 2 July, after the speech delivered by President Fernando Collor on 30 June, 36 percent of those surveyed wanted the president to resign, 17 percent wanted him to leave his position temporarily while the investigation on his alleged business links with Paulo Cesar Farias continues, and 43 percent wanted him to stay in the Presidency. Regarding the president's speech, the poll shows that 67 percent of those surveyed believe that the president did not satisfactorily answer the accusations involving him with Farias, and 23 percent believe that he did answer the charges satisfactorily.

The survey on Economy Minister Marcilio Marques Moreira shows that 41 percent of those surveyed believe that Marques Moreira should stay if Vice President Itamar Franco is sworn in, but 46 percent want him replaced. Marques Moreira's policy is rejected by 72 percent of those surveyed, who believe that the new president should change the government's economic policy. The poll also shows that 54 percent of those surveyed believe a new presidential election should be held if President Collor resigns or is impeached, 19 percent support the swearing in of Vice President Itamar Franco to replace Collor, and 14 percent believe that Congress should advance the plebiscite on the system of government, whether parliamentary or presidential.

The poll also shows that if presidential elections were held now Luis Inacio Lula da Silva of the Workers Party would get 23 percent of the vote, Paulo Maluf of the Social Democratic Party would get 18 percent, and Leonel Brizola of the Democratic Worker's Party would get 14 percent.

Regarding Vice President Itamar Franco, the poll shows that 33 percent of those surveyed believe that he would have a poor government record, 31 percent believe that he would have a fair government, and 10 percent believe he would conduct a good government. In comparison with the Collor government the poll shows that 29 percent of those surveyed believe that a Franco government would be the same as Collor's, 21 percent believe that his government would be better, and 23 percent believe that his government would be worse than Collor's.

PC 'Figureheads' in U.S. Keeping Low Profile

PY1007171092 Rio de Janeiro O GLOBO in Portuguese 9 Jul 92 p 4

[By Jose Meirelles Passos]

[Text] Miami—The individuals believed to be PC [Paulo Cesar] Farias' figureheads in the United States have not been seen lately. Brazilian citizen Ironildes Teixeira,

president of Miami Leasing Aviation and the Parts Express Company, as well as Cuban citizen Andres Gomez Mena, owner of Hamilton Lombard and Company, have decided to keep a low profile. They have even decided not to appear in public.

After admitting to O GLOBO that he is only an employee of the companies Pedro Collor denounced as "front enterprises"—used by PC Farias in Florida to "launder" money—Ironildes disappeared. Employees in charge of the Parts Express, in Fort Lauderdale, 40 km north of Miami, have admitted that he is in the city but is not speaking to journalists. His wife, Ana, assures that Ironildes has not fled and says that "he leaves home very early and returns very late."

Nor are there any signs of Ironildes at the address officially registered as the location of Miami Leasing in downtown Miami. There is not even a plaque with the name of the enterprise at this site. In truth, the office of the Noronha lawyers' firm operates at this address. This firm was involved in the case of drug trafficker William Reed Elswick who hid in Brazil until recently.

"The Miami Leasing company was our client at the beginning, in 1989, but we stopped attending them a few months later. It is quite common here that an enterprise will give the address of its attorney as its own. This is why our name is linked to the Miami Leasing company. But we no longer have anything to do with them," said Luis Ernesto Gozzolli, one of the managers of the Noronha firm. However, he said he could not reveal any details about that company:

"There is certain information I cannot disclose for ethical reasons. I cannot give details about the Miami Leasing company." Gozzoli, however, did disclose that the Noronha firm set up Miami Leasing in 1989. He also added that in the United States it is not necessary to mention the name of the owner of a firm when it is officially registered. All the owner of the firm needs is a local agent, whose role, according to Gozzolli, is merely to receive correspondence.

"Ironildes was never our client. We know he is a middleman for the sale of aircraft but we have never met him," added Gozzolli.

Some 10 km away from there, in Coral Gables, south of Miami, the most mysterious person of the PC Farias case, his alleged attorney Andres Gomez Mena, continues to keep a low profile. Employees at the office where his firm, Hamilton Lombard and Company, operates always say he is not in.

Collor's Former Secretary Uses Farias' Phones

PY1007145892 Rio de Janeiro O GLOBO in Portuguese 9 Jul 92 p 1

[Text] Two telephone lines that have been used for more than 2 years by Claudio Vieira, President Fernando Collor's former private secretary, are registered in the name of Participacoes e Construcoes-EPC Enterprise, which belongs to PC [Paulo Cesar] Farias. Telephones 368-1696 and 368-1697 are installed in the home of Claudio Vieira, located in the Lago Norte district, and they are on the list of seven telephones registered in the name of ECP in the Telebrasilia phone book. The house in the Lago Norte district, one of the most expensive areas in Brasilia, was bought by Vieira 10 days before President Collor assumed the presidency and before the new cruzados were confiscated within the Collor Plan. With his salary as Alagoas State prosecutor (2.5 million cruceiros today), Vieira would have had to work 19 years without spending a cent in order to purchase the house.

Following the example of Collor's former secretary, PC also invested in real estate just before the new cruzados were confiscated: He bought a house and land in the neighborhood of Casa da Dinda [Collor's private residence].

Central Bank President Francisco Gros sent a letter to Benito Gama, the CPI [Congressional Investigating Committee] president, confirming that Bancesa Bank had violated Central Bank rules when it allowed Ana Acioli Gomes de Melo, Collor's secretary, to open a bank account with the abbreviated name of Maria Gomes.

Vieira Under Investigation

PY1007151392 Rio de Janeiro O GLOBO in Portuguese 8 Jul 92 p 3

[Report by Silvia Faria]

[Excerpt] Brasilia—The Federal Revenue Office and federal police investigations into the activities of PC [Paulo Cesar] Farias in the government now have a new common target: Claudio Vieira, President Fernando Collor's former private secretary. Thus far, the investigations of the office and the police are not linked. At the Federal Revenue Office, Vieira is under investigation for his external indications of wealth and a public declaration in which he assumed responsibility for the bank account of [President Collor's] former secretary Ana Acioli, whose monthly transactions involve hundreds of millions of cruzeiros. In May alone, transactions totalled 250 million cruzeiros. The federal police are investigating Vieira's involvement in dollar and drug transactions. Drug trafficker Augusto Morbach reported Fabio Monteiro, Vieira's adviser at Planalto Palace, to the Sao Paulo police. The Federal Revenue Office auditors concluded that the standard of living of Vieira, who purchased mansions, airplanes, and ships in a few years, is not compatible with the "puny" salary the state paid him. According to a Federal Revenue Office official, the investigations, which at the office were limited to exchanging information on his remuneration and assets, will now include Vieira's bank account transactions. Fiscal proceedings are now being conducted by the Federal Revenue Office. [passage omitted]

Foreign Debt to France Rescheduled

PY1107011692 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 10 Jul 92

[By Luiz Augusto Mendonca from Planalto Palace]

[Text] The Brazilian Government today signed an agreement to reschedule its foreign debt to official creditor banks. Brazil has pending debts to official banks from 13 countries.

In a ceremony this afternoon at Planalto Palace, the Brazilian Government rescheduled the payment of its debt to France. Brazil's current debt to French banks amounts to $2.76 billion, more than 8 trillion cruzeiros. Including the grace period, the first portion will be paid to France in 1995.

Brazil has started negotiations seeking understandings for similar agreements with 12 other countries. The agreement signed today with France is the first contract signed by Brazil with official creditors after the general agreement was signed in February.

The agreement works the following way: Beginning today, credits are open for Brazil in the official French market. According to Economy Minister Marcilio Marques Moreira, Brazil will be able to negotiate on an equal footing with France now that the agreement is signed.

A little earlier at Planalto Palace, President Fernando Collor participated in another ceremony. The military ministers signed an agreement with the Federal Savings Bank for the construction of 7,500 houses for military servants who earn an average salary.

Collor Sends Message of Thanks to President Bush

PY1007181492 Rio de Janeiro Rede Globo Television in Portuguese 1000 GMT 10 Jul 92

[Text] President Fernando Collor today thanked U.S. President George Bush for his interest and support given so that the negotiations with the creditor banks ended favorably for Brazil.

Agreement Not 'Solution'

PY1107030892 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 10 Jul 92

[Text] Brazilian foreign debt negotiator Pedro Malan said in the United States that the end of the negotiations was a relief. He also commented on what the agreement represents for the country:

[Begin Malan recording] I do not think it represents the solution to our problems. The fundamental problems continue because they are domestic front problems. I believe, however, that the agreement represents significant help in this process and that it will allow us to concentrate our efforts in solving our domestic problems, which continue to be macroeconomic stability and resumption of our growth and investments, but with social justice. [end recording]

Revenue Secretary: No Investigation of Congress

PY1007123292 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 9 Jul 92

[By Alicia Santiago from National Congress]

[Text] Federal Revenue Secretary Luis Fernando Wellisch has said that the Federal Revenue Office is not investigating any congressmen.

Wellisch was at the National Congress today to explain this to members of the CPI [Congressional Investigating Committee], which is investigating accusations against businessman Paulo Cesar Farias.

The secretary said that the Federal Revenew Office is only investigating cases of people who failed to submit their income tax declaration.

[Begin Wellisch recording] There is no fiscal action against any congressmen in particular. What exists is only routine work in relation to those who failed to submit their declaration, just as for any other taxpayer. I explained this situation a few days ago. We have approximately 5,000 cases of this nature, and in this group we also find some congressmen who will be treated in a routine manner like other taxpayers. There is no crime in this episode, but only a summons by the Federal Revenue Office to give an explanation. [end recording]

Wellisch added that the fact that a taxpayer does not present his income tax declaration means that he has not met his financial obligations. For this reason the taxpayer will be summoned by the Federal Revenue Office to give an explanation.

CPI President Deputy Benito Gama has said that the congressional members of the CPI have no, and do not want, fiscal immunity.

Congressmen: Government Using 'Shock Troops'

PY1107160092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 92 p 1

[Text] On 8 July President Fernando Collor distributed some 177.5 billion cruceiros in allotments during a ceremony in which 11 governors participated. This, however, was not sufficient to obtain the governors' support for Collor's actions regarding charges linking him to Paulo Cesar Farias [PC]. Opposition congressmen who are members of the CPI [Congressional Investigating Committee] on PC have stressed that the government wants to intimidate the committee and opposition parties with the threat of disclosing the contents of income tax statements. According to the congressmen, the government has "shock troops" at its service in the CPI and is trying to intimidate the people

who are testifying, and now it wants to invalidate evidence. The tactics of the group are being compared with those of a "death squad."

Liberal Front Party Strengthens Position

PY1107124392 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 92 Section 2 p 11

[Excerpt] President Fernando Collor de Mello has met the demand made by the Liberal Front Party [PFL] and announced that tax rates will not be increased to cover the Social Security Institute's expenses resulting from the payment of the 147.06 percent readjustment to retirees. The PFL expressed its support during the meeting of leaders on 6 July, leaving Social Welfare Minister Reinhold Stephanes isolated.

Collor's position caused members of the Economy Ministry to contradict each other. The PFL decision showed that it increased its power with the president after its support for the government during the crisis. [passage omitted]

Further Support for Collor

PY1007185792 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 10 Jul 92

[Text] President Fernando Collor today received a group of Rio de Janeiro businessmen who expressed their support for the foreign debt agreement which the president said will allow the resumption of economic growth.

President Collor spent the morning in the Casa da Dinda studying the fiscal reform documents which must be presented to congress on 14 July. By 1100, President Collor had arrived in Planalto Palace. In his first official meeting today, the president received 34 Rio de Janeiro businessmen, representatives of federations and associations. They came to congratulate the president on the foreign debt agreement and to express their support for the government's economic policy.

[Begin Teophilo de Azeredo Santos, president of the Rio de Janeio Banking Association, recording] Although we have not yet overcome the recession, the foreign debt agreement and the economy minister's promise to begin a new stage of our growth make us optimistic. We look forward to work and growth. [end recording]

President Collor was cheerful during the meeting with the businessmen. He spoke about the main accomplishments of his administration, such as: the privatization process, the liberation of prices, the increase in national reserves, the inflation rate decrease from 80 to 20 percent monthly, and the foreign debt agreement which will establish conditions for economic growth. The president concluded his meeting with the businessmen by saying that the only thing that the country is interested in, right now, is work.

[Begin Collor recording] To think that some people thought the results of the elections, the first in 30 years, could be annulled! To think that, in their insanity, they thought our institutions were not strong enough to vigorously repel such a childish attempt. Power cannot be attained by bellowing. [end recording]

Brasilia Rally Calls For Collor's Removal

PY1107140992 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 92 Section 1 p 6

[From the Brasilia bureau]

[Text] The public rally held on 7 July in Brasilia calling for the removal of President Fernando Collor de Mello is the first of a series that will be repeated until 11 August, the date that the CPI [Congressional Investigating Committee] plans to conclude its task.

The rally was organized by the opposition parties, the unions that are members of the CUT (United Federation of Workers), and the OAB (Brazilian Lawyers Association).

Luis Inacio Lula da Silva, president of the PT [Workers Party], was the only national opposition leader to make an appearance during the rally.

Orestes Quercia, president of the PMDB [Brazilian Democratic Movement Party], and Tasso Jereissati, president of the PSDB [Brazilian Social Democracy Party], canceled their participation.

The rally was a continuation of the "Vigil for Morality" ["Vigilia pela Moralidade"] that took place 2 weeks ago in Congress. The organizers estimated that some 8,000 persons participated, while the Military Police put the number at 4,000.

Federal deputies of the PMDB, PT, PDT [Democratic Workers Party], PSDB, and the PSB [Brazilian Socialist Party] participated in the rally.

Government Guarantees Pensioners' Readjustment

PY1107012292 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 7 Jul 92

[Text] The government has guaranteed that the 147 percent readjustment payments to pensioners will begin in September. This readjustment will cause an additional expense of 5.1 trillion cruzeiros for the Social Welfare Ministry. President Collor said this amount will not be obtained by increasing contributions but through efficient tax collection and fighting tax evasion.

Social Welfare Minister Reinhold Stephanes stated that the current situation is better than at the beginning of the year because the ministry's operational costs and improper payments have decreased. Stephanes thinks the objective must be to intensify actions to prevent evasion and fraud, but that this is not the only method to collect so much money.

[Begin Stephanes recording] The president has decided that everyone will be granted this payment, including

those subject to the court's decision. He said that payments will be made starting in September but Congress must approve the raising of these funds. [end recording]

* Computer Industry Seeks Competitive Edge

92SM0463A Sao Paulo EXAME in Portuguese 10 Jun 92 pp 46-48

[Text] Four times a year, businessman Arnon Schreiber deplanes in Miami after the trip from Sao Paulo. He takes special pains with his English, fills his briefcase with brochures on products that he manufactures, and starts making his rounds. Schreiber is president of Digirede, which makes microcomputers and equipment for banking automation. He does not lack chutzpah: He wants to sell his machinery in the homeland of computers. To meet the challenge of the end of the information technology market reserve, scheduled to occur in October of this year, Schreiber decided to travel in the opposite direction from his competition. Many businessmen in the sector have instead opted to enter into associations with foreign companies. The partnerships involve everything from manufacture under license, as in the case with Edisa Hewlett-Packard [HP] to the formation of associations, such as the one between NEC and Scopus. The objective is always to prepare themselves to face the more competitive market that will result from opening to the outside world. "Partnerships enable the domestic manufacturer to access new sources of capital and new technologies," says Rui Campos, director of marketing for Microtec.

However, there is more than one way to climb the mountain. For some manufacturers, these marriages can make them distributors of products that would not be profitable to make in Brazil. Sid Informatica, for example, plans to include in its product mix both machines assembled in Brazil and others imported ready-made from abroad. "We will continue to manufacture automated banking equipment, but we have doubts about continuing production of PC's," said Jorge do Carmo, director of operations at Sid. According to him, competition from imports could make local production impractical. Among the numerous kinds of partnerships, joint ventures have won a lot of fans during the last two years. There are those who point out some disadvantages, however. "We are dependent on a single partner's technology," says Campos, whose company—Microtec—is associated with the American firm Digital.

After having weighed the pros and cons, Digirede's Schreiber decided to give up looking for a partner and prepare for battle. He wants to conquer a share of the American market and, if he succeeds, might even move his entire production line from Sao Paulo to Miami. "The idea is to keep only the new product development center in Brazil," he said. The key to Digirede's entry into the American market is its newest product, a compact banking terminal almost small enough to fit in the palm of one's hand. "There is nothing like it abroad," Schreiber insists. The plan to internationalize the company began to take shape a year ago. Schreiber opened a branch in Miami, Digix America Corporation, to sell Digirede's products outside Brazil. Worried about experiencing some sort of buyer rejection, he ordered that, to the extent possible, the Brazilian origins of Digix should not be mentioned. "Only Americans work at the branch office," reports Schreiber. "We always introduce ourselves to customers as being a California company." This is an odd situation, to say the least. If Samsung and Hyundai had been ashamed of their South Korean origins, they would probably not have gone as far as they have in the American market. In business dealings, as in personal relationships, trust is what paves a way for a long-term relationship.

Their Own Solutions

Schreiber says he is not prejudiced against foreign partners. "But every time I found a potential partner, I realized his eyes were only on the market." As part of a partnership, he says, Digirede would lose the power to decide what products to make in this country. "Technological development and investment decisions would be in the hands of the foreign partner," he said. That is why he prefers to pursue what he calls marketing agreements with foreign firms. These are contracts that link the sale of Digirede equipment to other items that would complement the product line. So, while satisfying the needs of its clients, the company is always free to choose who it is going to do business with. "My commitment is to the client, not to the partner," Schreiber notes.

In arriving at the internationalization phase, Digirede took advantage of its experience in bank automation. The Brazilian companies that specialize in this field made their mark in the information technology industry because they developed their own innovative solutions. "They will survive the end of the reserve because they have their own technology," says Schreiber. In 1978, when banks began getting ready to computerize their branches, the government prohibited imports of the equipment they needed. At the time, Schreiber was doing consulting work in connection with the computerization of a pilot branch for Banorte, in Recife. When the government put the brakes on imports, Schreiber and a group of technical experts started developing their own automation system. This effort gave birth to Digirede, which now has 1,000 employees and last year had sales of $52 million.

Early in the 1980's the processing of bank information all over the world was centralized in the bank's main office, by using enormous computers. Digirede took the opposite tack. It created a decentralized system, based on branches, using microcomputers and processing the data in real time. Other local manufacturers also went looking for similar solutions. This meant that this sector of the industry, at birth, was already a step ahead of what was being done elsewhere. It was not a matter of native genius. At the beginning of that decade, the United States was still amortizing the development costs of the

centralized systems. "It was only later that they began investing in new models," said Schreiber. That is why even today, the manufacturers of bank automation equipment still have a chance to compete overseas. "If we were making PC's, we would be just another company in the market," he added. "We would have no choice but to find a powerful partner."

Renaissance

In contrast to Digirede, Microtec decided to follow the association route in order to expand its business. At the end of last year, it signed an agreement with the American firm Digital, from which it imported an initial lot of 200 personal computers in April. PC's bearing the Digital brand will start being assembled in this country by Microtec in July at its factory in Sao Paulo. Initial plans called for assembling 500 units a month to backstop the company's own production of 1000 units. In the meantime, the recession is forcing a revision of this goal. Now it is expected that Microtec will assembly a maximum of 200 Digital microcomputers. "The market is terrible," said Rui Campos. "We have to be careful, because there is a lot of equipment on the market." According to Campus, the difference introduced by the end of the reserve is that now there are well-known brands on the market.

The importance of the presence of labels that are famous in the world of computers cannot be overlooked. After all, the end of the reserve coincides with a 10 to 20 percent drop in sales by the industry, which in addition to local competition has been facing foreign competition in the form of contraband. It is estimated that only 150,000 of the 250,000 pieces of equipment bought by Brazilians last year came from domestic factories. The rest entered under the table, without paying taxes or customs duties. In this regard, associations with international firms might help, but they do not represent a vaccination against failure. "We do not know yet whether partnerships are the best road to take," said Campos.

Like Microtec, the majority of the companies that have associated with international companies have not been married long enough to know whether the union will last forever. For some of them, at any rate, partnerships may mean a resurgence in sales. This is the case with Scopus, which this month is supposed to start assembling microcomputers using technology from the NEC Corporation. In August of last year, Bradesco [Brazilian Discount Bank], the firm that controls Scopus, joined forces with NEC and Globopar, a holding company in the Roberto Marinho group. Under the agreement signed by the new partners, NEC obtained 30 percent of the shares of Scopus, while Bradesco and Globopar acquired 35 percent each. "It was a survival move," admitted Jose Afonso Filho, marketing director of Scopus. Thanks to the association, the company's factory in Pirituba, in the Western Zone of the City of Sao Paulo, was reactivated after having been closed for two years. The Scopus line had been being produced at a factory run by Digilab, another company in the Bradesco group. In order to bring the new Scopus/NEC products to market, the company is converting its network of branches into service centers. "This means we can be more responsive in serving the user," said Afonso Filho. The objective in this case is to perk up sales.

Edisa, part of the Rio Grande do Sul group known as Iochpe, is another firm that decided to go the marriage of interests route. Since March it has shared its capital with the American Hewlett-Packard, which now holds 48.9 percent of Edisa's shares. The company now has its American partner's entire product line, ranging from mainframes to palmtops, not to mention the famous pocket calculators. "We spent $40 million revising Edisa's entire product line," said Ivoncy Ioschpe. Another domestic company that does not seem to be complaining about its international connections is Elebra Data Communications. At the end of May, it renewed an old relationship it had maintained with Motorola Codex, one of the world's leading manufacturers of data communications equipment. Since 1979, Elebra has been distributing in Brazil the high-speed modems manufactured by Motorola Codex. Modems are the devices that allow computers to communicate with each other to transfer data over telephone lines. Now Elebra will start making high-performance modems in Brazil. This means its customers will no longer have to wait about two months to take delivery of equipment that used to be imported. "For the time being, this is an operational agreement but it could become a joint venture," noted Leopoldo Pereira, director of Elebra. He said that Motorola Codex is evaluating the domestic market before deciding whether to enter an association.

Whatever decision the American company finally makes, the fact is that, seen as a whole, the Brazilian market has now reached a stage where it is far from negligible. According to Rui Campos, the country is in a position to move $9 billion worth of goods every year in the information technology sector. If the economy starts growing again, the market could get even bigger. Under increased prosperity, both the companies that chose to look for partners outside and those who, like Digirede, decided to fly solo could do very well. At the moment, the big question is how to survive the double whammy of recession and the opening of the market. "Only time will tell what is the best approach," says Campos.

Exchange of Wedding Rings: Major Partnerships Between Brazilian and Foreign Companies in the Information Technology Sector

Brazilian Company	Foreign Company	Type of Association	Products
Sid	IBM	Joint venture	PS/2 micros
Scopus	NEC	Joint venture	Notebooks, micros, Powermate, video monitors
Microtec	Digital	Joint venture	Micros 386
Elebra	Digital	Joint venture	Medium-size VAX computers

Exchange of Wedding Rings: Major Partnerships Between Brazilian and Foreign Companies in the Information Technology Sector (Continued)

Brazilian Company	Foreign Company	Type of Association	Products
Elebra	Motorola	Technological cooperation	High-speed modems
Cobra	IBM	Technological cooperation	Programs and computers
Edisa	HP	Technology transfer	Microcomputers, calculators, Winchester disks
Monydata	NCR	Technology transfer	Laptops and notebooks
Itautec	Texas Instruments	Marketing agreement	Notebooks

[Box, p 48]

Next Stop, Manaus

Early last year, when the season opened for associations between domestic companies and foreign conglomerates, Sid Informatica had ambitious plans. MC&A, the company that resulted from the joint venture between Sid and IBM, was struggling to win a 25 percent share of the microcomputer market. Its weapon to achieve that feat, the PS/2, a sort of latest-generation IBM microcomputer, was not selling as well as expected. The first models arrived on the market with a price tag of $2,500—too high in light of the choices already available in Brazil. Last year, prices of microcomputers plummeted thanks to the approaching end of the market reserve. So, in order to be able to meet the new price level, MC&A had to put itself through a severe cost-cutting exercise. It changed circuit board suppliers and, in the coming months, will move its production line from Curitiba to Manaus. "This was what we had to do to be able to keep pace with falling prices," admits Antonio Carlos do Rego Gil, president of MC&A.

By shifting its production to the Free Zone, MC&A hopes to take advantage of tax incentives available there, benefits that will reduce the costs of imported components. On the other hand, the company will have to incorporate some domestically manufactured items into the PS/2. That is why the boards that used to arrive ready-to-use from the American IBM will now be assembled at the branch in Campinas. "By making these changes, we can cut our costs by as much as 40 percent," Gil said. Even so, the prices of the PS/2 line will still be above the market average. "It is a differentiated product," he argues. He denies that the prices charged during the initial months of sales have scared off buyers. "That is a rumor spread by the competition," he said. According to the firm, 1,500 machines were sold between January and May.

MC&A is getting ready to offer the entire PS/2 line. That decision will involve an investment of $12 million in equipment and personnel training. At the end of May, the company announced the arrival of two new top-of-the-line PS/2 models. The cheapest of these costs $12,000 and the most expensive, $17,000. Because of their degree of sophistication, there will be only limited demand for these machines. According to MC&A forecasts, no more than 300 units will be sold in 1992.

Chile

Silva: 'No New Developments' in Honecker Case

PY1007135992 Santiago Radio Chilena Network in Spanish 1100 GMT 10 Jul 92

[Text] Foreign Minister Enrique Silva Cimma has reiterated that the Honecker case will be solved soon, probably after President Patricio Aylwin returns from his tour to Europe.

[Begin recording] [Unidentified reporter] Any new developments in the Honecker case?

[Silva] There are no new developments in the Honecker case. I think you will suddenly have news on this case, but not for the time being.

[Reporter] [Question indistinct]

[Silva] As usual, we will soon have one. [end recording]

Silva Cimma also dismissed that during his visit to Europe Aylwin will meeting with James Holger, Chilean negotiator for the Honecker case, who, he added, is fully engaged in this case.

Silva Cimma also said that the government is still not looking for someone to replace Clodomiro Almeyda as Chilean ambassador to Moscow.

Aylwin: Coalition Only Force To Govern

PY1107204392 Santiago Radio Chilena Network in Spanish 1700 GMT 11 Jul 92

[By correspondent Sandra Pizarro from La Moneda Palace]

[Excerpts] Before leaving for Europe, President Patricio Aylwin today, together with the interior minister and the minister secretary general of government, assessed the meetings he held during the past week with the leaders of the member parties of the Coalition of Parties for Democracy.

This information was disclosed by Minister Secretary General of Government Enrique Correa, who disclosed that during his meetings with the politicians President Aylwin had pointed out the need to promote the Coalition which, in his opinion, is the only feasible force to govern the country because, in addition to having consolidated itself, it continues to gain citizens' support.

Correa added that the president of the Republic also suggested that teams be created within the Coalition to draw up a joint government program, so that the efforts made by this government might project themselves into

the future, and also so that they might draw up a long-term political agreement that would grant stability to the Coalition. He noted that this agreement should chiefly contain aspects of the government program, and those related to the next congress.

According to Correa, Aylwin also urged the leaders of the Coalition member parties to give their support to the newly elected municipal and regional authorities.

Correa commented that it is now up to Congress to continue discussing the constitutional reforms, and said that the government believes it is contradictory and surprising that the rightist sector should now demand that more emphasis be placed on social problems, as this is the government that has done most in this field. [passage omitted]

Communists Nominate Marin Presidential Candidate

PY1007121792 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 10 Jul 92

[Text] How many candidates will participate in next year's presidential elections? Many people believe there will be at least five or six. Well, as of today, we have at least one. She is Communist Party leader Gladys Marin, whom the Communist Party of Chile [Pcch] Central Committee has officially nominated as a presidential candidate.

[Begin recording] [Unidentified reporter] The surprisingly high percentage of votes that the Pcch received at the municipal elections—that is, 6.6 percent of the total—hastened its nomination of a presidential candidate. At a special meeting held at party headquarters, attended by high-ranking party leaders, Pcch Central Committee Chairman Volodia Teitelboim announced that Central Committee Secretary Gladys Marin was the party's presidential candidate.

Marin said that this was her most challenging task in 35 years as an active member of the Communist Party.

[Marin] I am interested in and committed to developing a leftist option and to giving this leftist option access to government and to power.

[Reporter] Even though Gladys Marin's candidacy will be submitted for the consideration of the parties that make up the Allendist Leftist Democratic Movement, she clearly stated that her nomination is not negotiable and that she will run for president all the way. [end recording]

Political Prisoners' Relatives, Police Clash

PY1107123692 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 11 Jul 92

[Text] Riots occurred this afternoon in downtown Santiago, during a demonstration staged by relatives of political prisoners, who are being held at the public jail. The demonstration was scheduled for 1800 at the corner of Alameda and Paseo Ahumada Streets, in the heart of the city. Relatives of political prisoners carried banners demanding the prisoners' release. The relatives charged the government with ignoring the struggle by the political prisoners during the military regime.

Carabineros swiftly appeared to halt the demonstration. [video shows Carabineros fighting with people, and several people running, while shouts, protests, and the sounds of fighting can be heard]

Tear gas cannisters fell inside a restaurant, causing problems for customers and employees. Carabineros wearing gas masks helped the most affected people leave. After a few minutes, the situation returned to normal.

Meanwhile, at the penitentiary, another group of political prisoners' relatives—41 in total—refused to depart at the end of the visiting hour. The guard force has been reinforced and continues in a state of alert.

Poll Shows Majority Fear Coup Possibility

PY1107210792 Madrid EFE in Spanish 1557 GMT 2 Jul 92

[Summary] Santiago, 2 Jul (EFE)—The Latin American School of Social Studies (Flacso) has carried out a poll entitled "Perceptions and Opinions on the Chilean Armed Forces." Of the people who were surveyed on whether the Armed Forces could again carry out a coup, 46.1 percent say yes, 40.9 percent said no, and 3.1 percent said it would be impossible. Although 90.75 percent of those surveyed supported the existence of the Armed Forces, 71.7 percent said that they should have not governed the country for 17 years, and 85 percent said that they cannot be the judges of national policy.

The poll also shows that 48.5 percent of those surveyed believe the Air Force is the most cooperative with the government, and 67.6 percent believe the Army is the most difficult to deal with. In addition, 50.07 percent believe that military service must be mandatory, and 46.33 percent believe it should be optional.

New High Tech Antiair Defense System Created

PY1107205392 Santiago EL MERCURIO in Spanish 7 Jul 92 p C7

[Excerpt] Members of the Corps of Military Polytechnic Engineers have created the "Lince" antiair defense system using the highest technology on the market. The announcement was made yesterday [6 July] by Brigadier General Carlos Carvallo Yanez upon a new anniversary of this organization.

Without getting into details, Gen. Carvallo indicated that complex scientific and technical problems had to be resolved in order to design the system.

The system was designed by Famae [Army Ordnance], which is part of the Military Industry and Engineering

Command headed by Brigadier General Fernando Hormazabal Diaz. [passage omitted]

Colombia

President Decrees State of 'Internal Disturbance'

PA1007150492 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 10 Jul 92

[Text] The government has just decreed a state of internal disturbance and has issued drastic measures to prevent the large-scale release of criminals under the new penal code. President Gaviria, who summoned a Council of Ministers meeting early on 10 July, said the decision was fully endorsed by the Attorney General's Office and the Public Prosecutor's Office. The president said lawyers were trying to use legal tricks to void all the efforts exerted by authorities to fight crime.

At Narino Palace, President Gaviria Trujillo said: As long as I am president, I will do whatever I can to prevent the release of well-known criminals through the manipulation of the law. He revealed that criminals charged with the assassination of Luis Carlos Galan and Jorge Enrique Pulido and with placing explosives at the Administrative Department of Security were included on the list of those who could gain their freedom.

'Disturbance' Decree Viewed

PA1007155892 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 10 Jul 92

[Report on Decree No. 1155 issued by the Council of Ministers and President Cesar Gaviria Trujillo in Santa Fe de Bogota on 10 July]

[Text] Here are the basic clauses of Decree 1155, in which the government has just declared a state of internal disturbance.

In the past few years, Colombian society has had to face criminal activities, such as terrorism and the murder of prominent figures. This has greatly disturbed public order. In order to cope with such disturbing factors, special measures were established based on the terms of the state of siege. These provisions defined punishable offenses that were placed within the jurisdiction of a Public Order Court that was created and governed by special regulations. The Public Order Courts have been handling criminal actions that have caused profound social turmoil and grave disturbances of public order.

Effective implementation of special rules of the Public Order Court strengthens the administration of justice in the effort to punish crime, and thus contributes to ensuring national coexistence.

Considering that the causes and effects of these factors of disturbance have not disappeared, and considering the importance of keeping the aforementioned measures in force in order to ensure the restoration of public order, the National Constituent Assembly established that the decrees that had been issued while exercising powers provided during the state of siege until the date the Constitution was promulgated would remain in effect for 90 days. During that time, the national government could turn them into permanent legislation, as long as the Special Legislative Commission did not reject them.

In view of the above, various provisions that were issued to restore and maintain public order have been adopted as permanent legislation. This includes those provisions related to the Public Order Court and the rules that govern it.

Temporary Article 5 of the new Penal Procedure Code reiterated the continued validity of those measures. That code expressly states that the Public Order Court will merge with the regular courts as soon as this new code comes into force. The public order judges will be called regional judges, and the higher public order court will be called the National Court. The jurisdiction of these courts is not altered, as they will continue to hear cases for the same punishable offenses, just as they have been doing to date, in compliance with whatever decrees are not rejected by the Special Commission. This will assist in converting regulations issued under the authority of the state of siege into permament legislation.

The general prosecutor of the nation sent a letter to the president. The decree includes the text of the letter, which Radio Caracol read at the appropriate time. Other clauses of the decree stated:

Last night....[pauses] An analysis shows the merger of the public order and regular courts renders as ineffective the work that has been done in the past few years to bring to justice the perpetrators or accomplices in drug trafficking offenses, in the murder of prominent figures, in homicide for purposes of terrorism, and in other actions that disturb public order. All of this creates a situation of impunity in which crime goes unpunished, thereby presenting an imminent threat to the stability of the security institutions of the state.

The circumstances that have been mentioned render as inoperative the security measures aimed at protecting citizens and present an imminent threat to national coexistence. In view of all of the above, it has become necessary to adopt extraordinary measures to strengthen the enforcement of such special provisions, and thus to avert the causes of the disturbances and to prevent the spread of the effects of the disturbances. The current situation cannot be changed by using the ordinary powers of the police authorities.

In accordance with Article 213 of the Constitution, the president has the power to declare a state of internal disturbance whenever a serious disturbance of public order—which presents an imminent threat to institutional stability, to the security of the state, or to national coexistence—cannot be averted using the ordinary powers of the police authorities.

Decrees:

Article 1. To decree a state of internal disturbance throughout the country, from the date this decree becomes effective until 2400 [time as heard] on Thursday, 16 July.

Article 2. This decree becomes effective on the date it is issued.

Be it published and executed.

Signed by all the ministers, the president, and Deputy Government Minister Hector Rivera.

Justice Minister Cited

PA1007162492 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 10 Jul 92

[Telephone interview with Justice Minister Andres Gonzalez by news director Dario Arizmendi and an unidentified reporter from the studio, and reporter Samuel Salazar from Narino Presidential Palace in Bogota—live]

[Text] [Arizmendi] Your attention. Samuel Salazar is with Justice Minister Andres Gonzalez concerning the declaration of a state of internal disturbance. Samuel, go ahead.

[Salazar] Thank you, Dario. Justice Minister Andres Gonzalez has just concluded a briefing here, at the Narino Presidential Palace conference hall, in which he explained the measures adopted by the national government. Minister Gonzalez, good morning and welcome to the Caracol Network. Dario will also be speaking with you. Tell us more about the measures adopted by the goverment.

[Gonzalez] Good morning, Dario.

[Arizmendi] Good morning, Minister Gonzalez. Congratulations. You have just joined the cabinet, and you have to announce a declaration that is being used for the first time since the new Constitution was promulgated exactly one year ago.

[Gonzalez] That is right; it is quite an interesting beginning.

[Arizmendi] In addition to being somewhat difficult and complex.

[Gonzalez] Well, those are the circumstances. Each stage in public administration is a new experience with all sorts of possibilities.

[Arizmendi] Mr. Minister, were you able to talk about this situation during the transition with Dr. Fernando Carrillo, your predecessor? This was predictable, according to Ernesto Amezquita, honorary president of ANDAL [National Association of Litigating Lawyers].

[Gonzalez] I do want to point out that there is always a transition period when new statutes are applied. What has happened now is that an interpretation has been made, and the government feels this interpretation is not the most appropriate one or closest to the spirit of what was approved by the special commission and the Constituent Assembly. Therefore, what we have done is to specify an interpretation that will ensure the correct application of justice.

[Arizmendi] Mr. Minister, why was a state of internal disturbance declared until next Thursday, 16 July? Will other decrees be issued from now until 16 July, specifically to prevent the massive release of prisoners for well-known crimes?

[Gonzalez] Well, the declaration allows for that in principle. For the time being, however, the government has issued the decrees, which are public knowledge. Obviously, the new Constitution regulates in a different manner the state of internal disturbance, the state of siege, and the measures to be adopted during the same.

[Unidentified reporter] Mr. Minister, for the benefit of our listeners, who have barely begun to learn how these new measures of the national Constitution are applied, could you please explain what the Constitutional Court should do or can do with the decrees that the government will send today? These decrees are the ones that declare a state of internal disturbance and issue the emergency measures to prevent the release of the prisoners.

[Gonzalez] The Constitutional Court is authorized to exercise automatic constitutional control over those decrees. That is why the president announced that, in compliance with the Constitution, these decrees will be immediately sent to the court so that it will exercise the functions entrusted to it by the Constitution.

[Arizmendi] Mr. Minister, according to the existing norms, how much time does the Constitutional Court have to issue a pronouncement on the constitutionality or unconstitutionality of the two decrees?

[Gonzalez] In matters concerning the constitutionality of special measures, there is a reduction of the ordinary terms.

[Arizmendi] The court will have to issue a pronouncement in exactly how many days?

[Gonzalez] Wait a minute; allow me to check quickly....

[Arizmendi, interrupting] The Constitution?

[Gonzalez] That is correct. There is one deadline for the court to issue a pronouncement, and another one for the Attorney General's Office. The Constitutional Court is granted a certain deadline to issue pronouncements on ordinary issues, but the deadline is reduced by approximately one-third when it is a matter of special measures.

[Arizmendi] I see. While we check the Constitution, I want to ask you another question. Nine prisoners were released on 9 July from the Medellin prison. How dangerous are they?

I am asking you this question in view of pronouncements made by some lawyers to the effect that the government failed to anticipate this situation, which was obvious in the interpretation of the Penal Procedure Code.

[Gonzalez] In the first place, I want to point out that it is necessary to analyze and establish the conditions in which these persons were released from prison. I could issue a pronouncement only after such an analysis.

Regarding the alleged lack of foresight, I would like to point out that the government quickly resorted to the state of internal disturbance to prevent the measures that you know very well, and that we are sure will prevent a situation of impunity.

[Arizmendi] Mr. Minister: Could the released prisoners be arrested again, or are they exempt from the application of the new measures?

[Gonzalez] Dario, once again, we would have to establish the conditions under which these persons were released.

[Arizmendi] Are their names going to be announced?

[Gonzalez] I am going to give [words indistinct] on what conditions they were released. Obviously, I will adopt the pertinent decisions once the analysis is concluded.

[Arizmendi] Nonetheless, do you think it was necessary for the district attorney to alert the country and the government concerning what was predictable with Article 415, Paragraph 4?

[Gonzalez] It did happen, and it was established that there were different interpretations. In the first place, as of the moment in which it was established that the interpretation [words indistinct], this was not shared by other parties involved in legal actions, who then filed several petitions for habeas corpus that led to an interpretation that was not the most adequate one in the spirit of the provisions of the Penal Procedure Code and the special norms that previously regulated the public order situation.

[Arizmendi] Mr. Justice Minister, why did the government wait until the first nine prisoners were freed to decree a state of internal disturbance, if it was aware—and I am now virtually quoting the exact words of the president of the Republic—that about 200 requests to free the detained had been filed in Medellin alone in the past three days?

[Gonzalez] Dario, it could be that the initial interpretation of the Penal Procedure Code and the regular legislation warranted no special provisions, although they would have been in keeping with the spirit of the Penal Procedure Code, as well as other special norms. In fact, the proliferation of that kind of recourse—which alerted us to the intention to use the Code skillfully in other cases to foster impunity—led us to realize that an incorrect interpretation had been made.

[Reporter] Going back to my previous question, Mr. Minister, under the control that the Constitutional Court must exercise, will there be a debate on what is more important: The penal favoritism [favorabilidad] principle defended by criminal lawyers requesting the release of their clients, or the principle of public good—which should yield to private interest—which seems to be the one the president practiced when he declared a state of internal disturbance?

[Gonzalez] This is a very interesting issue. Some people are very seriously maintaining the favoritism principle. What is happening here is that there are no norms to apply to the same case. There are norms, procedures, and grounds for releasing prisoners in regular situations or ordinary crimes, and other grounds and procedures established for public order crimes. Thus, the idea here is not to choose between a more favorable and less favorable norm, but to apply the corresponding norm to the prevailing circumstances.

[Arizmendi] Mr. Justice Minister, as far as you know, are requests on behalf of Pablo Escobar and his 14 subordinates, who are housed with him at the Envigado Jail, and on behalf of the Ochoa Brothers, who are at the Itagui high-security jail, among the 200 requests filed in Medellin?

[Gonzalez] Dario, I could not give you an accurate response. I can tell you, however, that there are numerous requests for people who have surrendered themselves to the justice system and for others linked to the investigation on the assassination of Luis Carlos Galan. In view of this, the government adopted a firm stand to prevent a mockery of the justice system, the spoiling of the great efforts made by justice in the public order area in the past few months and years, and also to prevent situation of impunity that would completely erase the legitimacy of justice in general.

[Salazar] Mr. Minister, as justice minister, what would be your response to ANDAL and the Judicial Branch National Association, given that the attorneys maintain they are unable to function because norms are constantly being changed to accommodate political interpretations?

[Gonzalez] I, of course, understand their concern, but I think that norms must be adjusted to ever changing circumstances, and obviously, laws cannot be petrified indefinitely in time.

[Salazar] Mr. Minister, it seems clear that common criminals will be released from jail with the application of Article 415. That article states that a person must be released from jail if he has spent 180 days in prison, and the resolution specifying the charges or calling him to trial has not yet been filed. Will many people who committed minor crimes be released from jail?

[Gonzalez] As for interpretation, the decrees issued because of the state of internal disturbance make it clear that a number of circumstances and behaviors are regulated by special legislation, that is, by Decree 2790 of 1990. In this case, the applicable norm is Article 59 of this statute and not the norms that you cited from the Penal Procedure Code. This provision states expressly that Article 415 of the Penal Procedure Code, which refers to the crimes mentioned in Article 59 of Decree 2790 of 1990, will be in force after the expiration of the terms mentioned in transitory Article 2 of the Penal Procedure Code.

[Arizmendi] Mr. Minister, the president of ANDAL told the Caracol "Six A.M." newscast days ago that 8,000 detainees would leave Colombian jails if the norm you just mentioned is applied. Is this true, is this an exaggeration, or is this in keeping with reality and Justice Ministry studies?

[Gonzalez] I think, very respectfully, the figure you quoted would not result from the application of this provision and much less after the adoption of Decrees 1156 and 1157 [words indistinct], because the interpretation has been defined appropriately to prevent this kind of situation.

Magistrates Comment on Decree

PA1007220092 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1615 GMT 10 Jul 92

[Report by Narciso de la Hoz]

[Text] Cali—Magistrates Herney Hoyos and Ranulfo Guerrero, from the Penal Courts of the Cali and Buga District Courts, have said President Cesar Gaviria Trujillo is the only one responsible for the state of internal disturbance. This is because he signed the new code that went in effect 10 days ago.

Magistrate Hoyos Garces said the president was contradictory by declaring a state of internal disturbance in the country, because he gave the green light to a code 10 days ago. In other words, he contributed to the state of commotion, which seriously endangers the institutional stability of the nation, Magistrate Hoyos Garces said.

Meanwhile, Buga District Court Magistrate Ranulfo Romero said judges will continue to release prisoners based on the principles of favorability [favorabilidad] and habeas corpus. He added this is logical, because laws that have been in effect in time and space and that are favorable to the defendant must be implemented from the standpoint of favorability. [sentence as heard]

Cali District Court Magistrate Herney Hoyos Garces said the president cannot issue a decree ordering the suspension of laws for specific periods, because that would violate a constitutional principle and would actually be tantamount to equivocation.

Questioning the decree that declares the state of internal disturbance, the jurists said the state is actually sending judges the message: You [word indistinct] equivocate based on a presumed law. They added that when a law has to be applied at a given time, and the law implies not only recognizing but above all respecting rights such as the principle of favorability and habeas corpus, it is the duty of the judge to do so.

They said the Constitutional Court will determine if there are formal faults in the measures President Cesar Gaviria Trujillo has implemented today.

Congress To Discuss Decrees

PA1007170092 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1618 GMT 10 Jul 92

[Report by Felipe Gomez from the Congress of the Republic]

[Text] Attention! The board of the Chamber of Representatives has called a special plenary meeting at 1600 on 15 July. Attention! It has also strongly criticized the latest decrees—especially the one on internal disturbances—issued by the government. In this respect, Victor Eli Rojas, vice president of the Chamber of Representatives, told Caracol:

[Begin Rojas recording] We are very concerned. That is why we have called a meeting of the Chamber of Representatives at 1600 on 15 July. At that time, we will study the decrees, particularly the reasons and motives the Executive Branch gave for issuing these rulings, which undoubtedly are a great disruption of justice, of the independence of government branches, and of democratic life in the country. [end recording]

The Senate of the Republic is announcing its stand on this issue at a news conference now being given Carlos Espinosa Faccio Lince at the presidency of the Senate. Thus, it would not be strange if they follow suit and call a meeting for 1600 on 15 July as well.

Gaviria Explains Decrees

PA1007180592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 10 Jul 92

[Speech by President Cesar Gaviria Trujillo from Narino Presidential Palace in Santa Fe de Bogota—live]

[Text] Colombians: A few hours ago, a state of internal disturbance was declared throughout the nation until next Thursday, 16 July. This is the first time the government has resorted to this measure since the promulgation of the 1991 Constitution. I have no doubt this is a necessary decision to guarantee coexistence and national public order for citizens.

I want to explain to you the reasons that led us to order this special state, as well as the measures we issued to face the disruption of public order.

After receiving reliable and highly worrisome information from the attorney general of the nation, I summoned

a special plenary session of the Council of Ministers on 9 July. Following a careful analysis, and by virtue of the powers granted by Article 213 of the National Constitution, the government issued a decree in which we prevented the possible release of the alleged assassins of Luis Carlos Galan, of the well-known [word indistinct] charged with the murder of Jorge Enrique Pulido and the attack against the Administrative Department of Security building, and the possible release within a few days of hundreds of assassins and criminals, including some of the ringleaders of narcoterrorism who had turned themselves over to the authorities.

These interpretations, some of which were made by shyster lawyers and others of which were inspired by good faith, sought to extend provisions of the new Penal Code on provisional freedom into the so-called jurisdiction of public order. This would have disrupted all of the efforts that have allowed us to struggle against impunity, to dignify the work of the judges, and to strengthen the administration of justice.

The national government believes these measures are not in any way applicable to the circumstances foreseen by the public order legislation. Nonetheless, one single fact shows the seriousness of the events. In the last two or three days, the Medellin judges alone have received over 200 requests for release. The decree issued early on 10 July by the government seeks to guarantee implementation of the special measure strengthening the administration of justice. This measure is known as the public order legislation. The National Constituent Assembly and the Special Legislative Commission gave this measure a permanent character.

Allow me to repeat to you what I told the Council of Ministers a few hours ago. As long as I am president of the republic, I will do everything in my power to prevent a malicious lawyer from discovering and manipulating a clause in order to bring about the release of persons accused of acts as atrocious as those I have mentioned. That is my duty as head of state. I know I am supported in this by 30 million Colombians, who would be horrified by the release from jail within a few days of persons known to the country to be the most dangerous criminals.

The attorney general of the nation, who has spearheaded our efforts in this regard, and the prosecutor general share the interpretation of the special penal regulations the government has clarified by means of the decrees issued early this morning. They do so with the patriotic awareness they are defending justice and the legal system. Naturally, in strict compliance with the Constitution, on 10 July the government will send the decrees that have been issued to the Constitutional Court. Similarly, on 20 July, or as soon as the Congress should decide to meet by its own authority, we will present a draft law reinforcing the interpretation we have espoused, so criminals will not be given carte blanche.

I will not allow—listen closely—a legal strategem to return us to the war we suffered with greatest intensity until only a few months ago, or to open the door to impunity. This is a matter of Colombia's survival as a nation, a matter of national dignity, a time when the unity of Colombians becomes necessary so justice may prevail. The citizens expect nothing less from their government. The government expects nothing less from all the citizens. Thank you very much.

Attorney General's Position

PA1007185692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1651 GMT 10 Jul 92

[Report by Hernan Estupinan]

[Text] Last minute information: Carlos Gustavo Arrieta, attorney general of the Republic, has just announced that he endorses the prosecutor general's effort to stop the release of alleged criminals currently in national penitentiaries. He noted that the investigations on these criminals indicate they have been involved in crimes that have shocked the nation.

The attorney general states in his communique that one of his duties is to defend the interests of society and to ensure that the Constitution is observed. Attending the many requests for provisional freedom, as well as the habeas corpus appeals, which have been presented to judicial authorities, the attorney general informed his officials that he endorses the prosecutor general of the Republic's decision on observance of Article 415 of the new criminal procedure code—this is precisely the one that refers to the release from prison.

The attorney general agrees with the prosecutor general and instructed all Attorney General Office officials to apply the norm if similar cases are brought before them and not to allow the release of prisoners until cases have been thoroughly investigated.

'Text' of Article 213

PA1007213592 Paris AFP in Spanish 2007 GMT 10 Jul 92

[Text] Bogota, 10 Jul (AFP)—Colombia on 10 July declared a state of internal disturbance based upon Article 213 of the 1991 Constitution. The state of internal disturbance is an alternate to the state of siege and will be in effect until midnight on 16 July.

President Cesar Gaviria has used this option to prevent the release of approximately 800 criminals and narcoterrorists who are now in prison but would be freed upon the implementation of Article 415 of the new Penal Proceedings Code [Codigo de Procedimiento Penal—CPP] that went into effect on 1 July.

Following is the text of Article 213 of the Constitution:

"In cases of serious public disorder that may imminently threaten institutional stability, state security, or coexistence and that may not be checked through regular police procedures, the president of the Republic, with signed support from all his ministers, may declare a state of internal disturbance in the entire country or in parts of it for a term no longer than 90 days, which can be extended for two periods, the second of which requires prior approval by the Senate.

"In declaring the state of internal disturbance, the government will have the power strictly necessary to put down the causes of disorder and keep its effects from expanding.

"The government may issue legislative decrees to suspend laws incompatible with the state of internal disturbance. Those decrees will expire as soon as public order is declared reestablished. The government, however, may extend the period during which the decrees are in effect for 90 days.

"Congress has the authority to meet within three days after the state of internal disturbance is either declared or extended, in full possession of its constitutional and legal attributes. The president will immediately report to Congress on the reasons behind the declaration.

"In no case can civilians be investigated or tried by a military justice court."

Judges, Attorneys React

PA1107004992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 10 Jul 92

[Text] The national Congress reacted to the government's measures by immediately calling an extraordinary session for 15 July. Attorneys and judges protested the government decrees and said the measure constituted a disruption of the penal law.

The lawyers' and judges' associations believe the commotion that has existed in the country since the early hours of 10 July when the government decreed the emergency measures was caused by what they call the [word indistinct] of the government.

Both groups said that when the new penal code was being drafted, and even after its approval, they warned the government of the legal consequences of implementing Article 415. They cautioned that it would again fill the streets with paid killers and criminal ideologists.

[Begin Attorney Antonio Suarez recording] We are playing with a very dangerous concept here, because every time an incident causes excitement, new decrees are issued. Some are aimed at disregarding the judges' decisions, others at correcting the phenomenon of crime. [end recording]

The Association of Litigating Attorneys believes the most serious thing about the government's shock treatment is that the rights acquired ten days ago by arrested persons in the new penal code are being violated.

[Begin recording Attorney Ernesto Amezquita] The persons who will be most affected are criminals who have committed minor crimes, and some persons whose freedom would be of no major consequence. [end recording]

In that sense, former Justice Minister Jaime Giraldo Angel said the transformation of the legal system would necessarily bring unforeseen consequences.

[Begin Giraldo recording] All transitions are problematic. Even interpretations of the norms vary because some people want to continue thinking in terms of previous legislation while there is already a new legal scheme. [end recording]

As a result of the decrees, congressmen must hurriedly return to the capital and suspend their vacation to study the government's surprise measures.

We have already learned of the first reactions. The National Salvation Movement issued a communique supporting the government, but states that their political movement had previously warned of the risks involved in implementing the parole system.

Prisoners Freed Despite Decree

PA1107141292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 10 Jul 92

[Text] Despite early morning efforts by President Cesar Gaviria and his ministers to decree a state of internal disturbance, 15 persons incarcerated in Medellin, Barranquilla, and Cucuta prisons were released. Their attorneys had secured their release before the decree was issued.

The fifteen had been tried for crimes against public order.

Rito Antonio Garcia, one of the most veteran inmates in the country, never benefited from a sentence reduction or probation. He had been sentenced by a common-law court to serve more than 40 years in prison. On 9 July, thanks to the new proceedings code, he was released.

Garcia never dreamed he would instantly recover his freedom because he was serving a sentence for manslaughter. He is the only inmate who has served so many years in prison, 32. He has been in several prisons and still had 16 more years to serve.

His attorney's interest in his case is what allowed Garcia to recover his freedom. Garcia was only informed on 9 July about what was happening.

[Begin recording of unidentified legal adviser] When the code became effective, we requested that Garcia's sentence be declared served. The court acknowledged this

petition and ordered Garcia's immediate release on a served-sentence status as of 9 July. Garcia did not know about the new penal code.

[Garcia] I was told on 9 July: Pick up your things. You are free.

[Unidentified reporter] Were you happy?

[Garcia] I trembled. [end recording]

Garcia had been in Bucaramanga's Modelo Prison for the past two months and was known for his good behavior. He returned home on 10 July after 32 years in prison, thanks to the new code.

De Roux Not To Take Office Without Backing

PA1007223992 Santa Fe De Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 10 Jul 92

[Text] New Health Minister Gustavo De Roux returned to the country on 9 July. He announced from Cali, Valle del Cauca Department, that he will not take office without the total support of the 19 April Movement Democratic Alliance [AD/M-19] leaders. Here is Carmenza Jimenez with the minister. [Begin recording] [Jimenez] Gustavo De Roux said on 10 July that he needs the general backing of the AD/M-19 to take office as public health minister. De Roux said he is a political appointee, and although he feels he is capable of performing the ministerial duties, it is important that the movement he represents supports his participation in the cabinet.

[De Roux] If I take office, I must do so with the political support of AD/M-19. The office is not a personal choice. Obviously, I am convinced this is the result of a political pact, and one cannot assume a cabinet position on a personal basis.

[Jimenez] AD/M-19 Congressman Jaime Navarro Wolff said the internal differences regarding De Roux's appointment were settled.

[Navarro] He is one of the best representatives of democracy in Valle del Cauca. For Colombia, he is a [words indistinct]. He is a militant for democracy and AD/M-19. [end recording]

Navarro Reportedly Resigns as AD/M-19 Leader

PA1207003692 Villavicencio La Voz del Llano in Spanish 2320 GMT 11 Jul 92

[Report by Gilma Patricia Gutierrez—live]

[Text] Attention, Antonio Navarro Wolff has tendered his resignation as leader of the 19 April Movement Democratic Alliance [AD/M-19]. But his decision was not accepted by those attending the political movement's convention, which is currently underway in Santa Fe de Bogota. Also, convention members have yet to state their support for Gustavo de Roux's appointment as health minister.

Navarro Wolff read the following statement:

[Begin Navarro recording] [Words indistinct] our current situation. First of all, we reviewed the elements of the political agreement signed at Narino Palace, which led to the appointment of a new cabinet. A declaration was signed, called Unity Despite Diversity, and its more important elements are as follows: The AD/M-19 is not divided. We are united for the achievement of common goals, despite our diversity. This is the first important element in the declaration that you must ascertain.

Second, the political agreement is important because it ratifies the determination to reach a consensus among different political groups and the national government. We therefore ratify and support the signing of the agreement by our President Antonio Navarro, but we have decided to go beyond the political agreement signed with the government and seek a national pact among all Colombians on three basic ideas: a pact for peace, a pact for the development of the new constitution, and an economic and social pact that solves Colombia's development crisis.

In addition, we fully support the citizens' actions to achieve peace based on the efforts exerted for the release of Marcos Chalita, former Constituent Assembly member and National Assembly deputy, and other AD/M-19 members who faced problems during the implementation of the peace accords signed with the national government.

We sent a letter to the president of the Republic requesting that he respond to social topics included in the legislative agenda, where we will also present our own draft bills.

We must also report that we will request a meeting with Defense Minister Rafael Pardo, the AD/M-19 bloc at Congress, and the [word indistinct] of social reintegration to study aspects regarding the fulfillment of the agreements signed with the M-19, the Popular Liberation Army, and the Socialist Workers Party regarding the political aspects of developing security guarantees and the delays in some other aspects of those agreements.

At this moment we are beginning to discuss the problem we must solve with regard to the [word indistinct] of the Health Ministry.

We also discussed a position with regard to the decree that has declared the country in a state of internal disturbance and we have decided to: First, clearly assume the search for those politically responsible for the impasse that has developed. Second, to establish a basic position on the topic, its legality, and its far-reaching effects at the Congress session that will be held on 15 July. [end recording]

The AD/M-19 agreed to hold a new round of deliberations to reach a political agreement and discussed Marcos Chalita's legal situation. They agreed to hold, on 15 July, a political trial of former justice minister

Fernando Carrillo Flores, the new penal code, and the declaration of the state of internal disturbance decreed by President Cesar Gaviria.

Inquiry Into Drug Chiefs' Kidnapping Begins

PA1007193392 Mexico City NOTIMEX in Spanish 1831 GMT 10 Jul 92

[Text] Santa Fe de Bogota, 10 Jul (NOTIMEX)—On 10 July, the Colombian authorities indicated they began an investigation to clarify the kidnapping of 11 drug lords, which took place during the past few hours in Medellin, the country's second largest city.

The investigation began after different media received telephone calls holding alleged members of the U.S. DEA responsible for the kidnappings.

Preliminary reports stated the lieutenants of the Medellin Cartel, headed by Pablo Escobar before he surrendered to the authorities in 1991, could have been killed as part of an "internal struggle" within that organization.

The kidnapped persons include brothers Mario and Fernando Falindo, William and Gerardo Moncada, and the Alvarez Lopez brothers. This group was regarded as the trusted aides of Escobar now being held at the Envigado Jail near Medellin.

According to this report, the missing, who had been in hiding, could have decided to operate outside the cartel. They reportedly handled the "financial" aspect of the business, which prompted speculation the internal problem could be related to the handling of the money.

The authorities indicated that in addition to the organization chiefs, five members of its security personnel were kidnapped. One of them was found murdered on 9 July in a Medellin neighborhood, 400 km northeast of Santa Fe de Bogota.

Among those missing are Alberto Vargas, Elkin Estrada, John Henry Vargas, Fernando Garay, and Luis Ernesto Cadaviv, who were kidnapped over the weekend.

According to eyewitnesses, at least 40 men apparently led by Brances Munoz "Tayson," head of a hired assassins gang, raided many homes in Medellin and Itagui.

According to another report on the multiple kidnappings, the operation was carried out by an armed commando unit that took the group by surprise on their way to visit several inmates at the Envigado Jail.

Ecuador

President-Elect Announces New Cabinet Ministers

PA1007171092 Quito Voz de los Andes in Spanish 1130 GMT 10 Jul 92

[Text] A prominent number of businessmen will make up the core of the government team of President-Elect Sixto Duran Ballen, who announced the names of some of his aides on 9 July, shortly before leaving for the Galapagos on vacation. Of those minister named so far, at least six have ties to the business world and have large fortunes.

Mario Rivadeneira was named minister of finance and public credit. Rivadeniera served as ambassador to Washington during the administration of Leon Febres Cordero, and is the head of one the two major economic groups in the country.

Andres Barreiro will serve as minister of energy and mines. He is a businessman and a former president of the Guayaquil Chamber of Commerce.

Pedro Lopez will be the new minister of public works and communications. He is a former Quito councilman and has ties to the construction business.

Eduardo Pena Trivino will be the next minister of education and culture. He is a university professor, insurance businessman, and EL TELEGRAFO editorial writer.

Along those lines, Mauricio Pinto will be the minister of industry, commerce, integration, and fisheries. He is currently president of the Pichincha Industry Chamber.

Roberto Dunn Barreiro will serve as minister of government. He is a prominent Guayaquil businessman, a main shareholder of aviation companies, a deputy-elect for the Republican Unity Party, and a former government minister during the Jaime Roldos administration.

Diplomat Diego Paredes will be named foreign minister.

Paraguay

'Communists' Seize Agrarian Reform Settlements

PY1007182892 Asuncion HOY in Spanish 2 Jul 92 p 2

[Text] Deputy Celso Velazquez of the Authentic Radical Liberal Party (PLRA) yesterday reported to HOY: "Militants of a semi-clandestine group which identifies itself as the "Self-Summoned Communist Party," and other leftist groups such as the Popular Democratic Party [PDP], Free Fatherland Movement, etc., are seizing several Agrarian Reform Institute [IBR] settlements in the interior of the country. In one of them—Tava-i Borda II—in Lima District, San Pedro Department, after expelling some 50 peasants who did not want to join their movement, the militants declared the settlement 'liberated territory' and, with a group of 17 armed people, they prevent anyone from entering the place." [quotation marks as published]

Velazquez, who is the president of the Chamber of Deputies Rural Welfare Committee and an expert on peasant affairs, warned about the current situation and rejected the fact that, although the world has witnessed the fall of the Communist regimes, such a group can

operate in Paraguay "within the framework of a scheme aimed at destabilizing the national institutions."

He said: "Some 50 peasants have been expelled from Tava-i Borda because they did not want to be affiliated with the Self-Summoned Communist Party. There is also fear in Juan de Mena and Cleto Romero settlements, and this morning there were shoot-outs there."

He added: "Peasant leaders have been coming to Congress to complain. I can give you their names. So far I have not for security reasons, but I can supply the necessary evidence."

The PLRA congressman said he is "warning against the danger of having agitators and groups that camouflage themselves very well as peasant leaders."

He pointed out yesterday that "several peasant settlements are controlled by them. The settlements that are controlled by leftist groups are: Tava-i Borda I, Tava-i Borda II, Luz Bella, Cleto Romero, and Juan de Mena."

Velazquez added: "In Congress, we are daily receiving reports from serious people—members of the Colorado Party, of liberal committees, and of neighborhood committees. They are complaining because their neighbors, friends, and other settlement residents are being expelled from the settlements for not being willing to affiliate themselves with the 'Self-Summoned Communist Party.'"

Through this shocking report, the deputy expressed his concern: "The Communists are willing to control the settlements and transform them into what they call 'liberated land,' or liberated territory, but we will not allow them to do it."

In political and strategic terms, it means that they want to create a republic within Paraguay, which will be controlled by them, and where they will promulgate their laws and decide who will remain in the settlements and who will be expelled from them, the PLRA deputy said.

He added that these groups follow the Marxist-Leninist trend. He said: "They have organized people's trials at Tava-i Borda II, which is a settlement installed in lands that the IBR purchased from the Heisecke family to implement agrarian reform. The agitators expelled from the settlement almost 50 farmers who are heads of families. These farmers have come to the Congress, one by one, to complain about the situation."

Why have they been expelled? "Because they do not want to affiliate to the 'Self-Summoned' Communist Party which, according to them, is preparing the revolution that will free Paraguay," Velazquez said.

The deputy also mentioned a group of 17 armed people who are being given military training and who manufacture their own ammunition. He told HOY: "I can show you the bullets at any time."

He added: "These things are occurring at Tava-i Borda II, 25 km from Lima (San Pedro Department), where the group is more aggressive and violent. No IBR member wants to enter the region for fear of the self-summoned Communists," who are armed with "pistols, rifles, double barrel shotguns, revolvers, etc."

He also revealed: "They have a complete signals and sentinel system that prevents anyone from entering the place."

Velazquez said that he flew over the region to locate it exactly. He announced that soon a group of congressmen will try to get near the place, particularly to ensure the security of the peasants, who are very afraid of the Communists' threats against those who do not share their ideas.

"Another similar case is occurring at Luz Bella, where a people's trial was held and several peasants were expelled for having allegedly transgressed certain rules established by the neighborhood committee. We have annulled this decision. The original census of peasants awarded land will be respected because IBR land is government land," he added.

Celso Velazquez concluded: "They want to free the land and establish there a socialist, communitarian territory, liberated—from the Marxist-Leninist point of view—where no Paraguayan judicial or police authority or IBR member can give orders. This is absurd and impractical, and we cannot—and will not—allow it to occur."

[Asuncion HOY in Spanish on 3 July in a similar article adds: "The PDP and the Alto Parana Farmers Association yesterday reacted to the serious charges made by Deputy Celso Velazquez, of the Authentic Radical Liberal Party, about the actions of leftist groups in IBR rural settlements. The PDP, which was mentioned in the deputy's charges, released a note deeming the charges 'radical ideological conservatism,' and stating that his 'arguments are a fascist-corporative trend of the local oligarchy, which is impregnated with anachronistic fundamentalism."]

First Trade Agreement With Russia Negotiated

PY1307124092 Asuncion NOTICIAS in Spanish 12 Jul 92 p 39

[Excerpts] For the first time ever, Paraguay and Russia are negotiating a bilateral agreement on the opening of markets for the two countries' exportable balances. [passage omitted]

It has been reported that Paraguay and Russia have begun negotiations of the first agreement on commercial exchanges after the Foreign Ministry Foreign Trade National Council considered the draft of the proposal sent through diplomatic channels by the main CIS member after the USSR's dissolution.

It was agreed to recommend that Foreign Minister Alexis Frutos Vaesken make a counterproposal to clarify the

significance of certain concepts. A document in this regard already has been sent to the Russian Embassy in Buenos Aires, because the Russian trade representatives for Latin America are residing in this capital. [passage omitted]

Measures will be adopted to compensate for the import of Russian cars and pickup trucks with the export of various products such as cotton fiber, cow leather, and fruits, among other things, but they will have to be able to compete in quality and quantity and to comply with the specifications established by the final users. [passage omitted]

Peru

President Fujimori on Electoral Processes

PA1307035392 Lima Panamericana Television Network in Spanish 0129 GMT 13 Jul 92

["Exclusive" interview with President Alberto Fujimori by Panamericana Television Network Director Patricio Ricketts Rey de Castro at the Government Palace in Lima—live]

[Text] [Ricketts] Mr. President, although several months have passed and despite the Inter-American Press Association's verifications on freedom of the press, the country is still a bit unclear—not to say it is totally in the dark—about many things. Do you think it would be good to shed some light regarding, for example, the electoral processes. This is a matter that naturally occupies the attention of the general public. What is this about one or two elections? What are the technical reasons behind your decision? The National Electoral Board says both elections can be held. What are your technical or political reasons for preferring one over the other?

[Fujimori] Good evening. First, I must thank you for inviting me to this interview. If, as you say, the country is still unclear regarding electoral matters, it is not because of the government. In reality, everything is clear. Obviously the political groups that have lost their political presence have generated this fog. I, however, would like to discuss the matter in more detail.

[Ricketts] Please give us the details we need to know.

[Fujimori] Yes, details. You ask why we should have two elections and note that the board has said we are able to hold them. My proposal to hold the elections on two different dates is not based on whether the board says it can or cannot hold them. My proposal is based on local governments. I have stressed this a lot, but it has not been highlighted by the media. We have to promote the participation of all the citizens, and especially the participation of independent citizens. Hidden behind all the debate and media distortion is the fear that independent citizens will participate in the elections. If we hold the elections in November—with the Democratic Constituent Congress and all the requirements for the municipal elections— probably not many independent citizens will participate. The local governments require their participation, not only that of people who belong to political parties.

[Ricketts] What you mean is that the national election for the Constituent Congress will be a political election and that the other one will be a bit more local and that you want to promote local organization so that people are able to participate more effectively? Is this a good explanation?

[Fujimori] Exactly. I want to give them more time so they can participate. Let us remember that independent people live in many places in the country's interior. People who belong to political parties live in the interior, too. Anyway, they need time.

[Ricketts] You are aware that the country needs these elections urgently to elect municipal council members. In this respect, there are serious doubts that you cannot ignore. You made some observations regarding five-year municipal terms stemming from the short time period available to implement programs. Were you referring to the current municipal term, the outgoing one, or were you presenting a proposal to be discussed by the Constituent Assembly? What is the situation?

[Fujimori] This is a clear example of how statements are manipulated. The manipulated statement generates a lot of discussion and creates confusion. It is enough to see the video broadcast by Channel 9—I do not believe Channel 2 showed it—whose "24 Horas" reporter was in Ayacucho. The proposal was very clear. I said it would be very interesting if the mayors could have a mandate that lasted four or five years so they could implement their programs. In no way and at no time did I insinuate....

[Ricketts, interrupting] [Words indistinct] these mayors.

[Fujimori] Of course not. This was clear. Have you noticed how much time has been lost on this discussion? I have been quiet all this time to see how far the discussion would go and it has truly....

[Ricketts, interrupting] It has gone too far?

[Fujimori] Yes, it has gone too far, but it has not confused citizens. Look, in the past 15 days I have visited the following provincial cities: Iquitos, Puerto Pizarro, Tumbes, Cancas, Ayacucho, Cangallo, Vilca, (Escuamanquam), Capi, Piura, Catacaos, Uno, Juliaca, Huancor. In none of these places was there any opposition to participating in the elections. None of the mayors was opposed, either. I am talking about 10 mayors—10 mayors in 10 cities—who are most willing to continue one or two months in their posts to benefit their people.

[Ricketts] We are talking about a very short period if we are talking about two months. It will probably take 12 months to count the votes. Thus, when you say two months, I understand that we will vote in December so that the new mayors will replace the current ones in two months.

[Fujimori] No. Well, at municipal elections the voting is very local, and obviously, the counting of votes is finished much sooner.

[Ricketts] Why not hold the elections this year?

[Fujimori] Because we want to give them enough time to get the participation....

[Ricketts, interrupting] To get it organized?

[Fujimori] That is correct.

[Ricketts] Doubtless the election date is important, but it is not the only problem. There is another matter that worries citizens. It has to do with the contents of the Constitution's Article 65. This is the part of the Constitution that is valid, according to your speech in Nassau. In a democratic election there is proportional representation. This representation varies a great deal according to the nature of the election. The results will be different if we have a sole electoral district, a departmental one, or a regional one. Which system do you propose?

[Fujimori] First, I want to insist more on this matter of the municipal elections and the importance of the participation of independents or the candidates as individuals. I thought you were going to insist we discuss this topic more and that is why I did not expand on it.

[Ricketts] We can return to the topic.

[Fujimori] No, only briefly. The topic is important. I saw it discussed in an interview on your channel when two mayors were interviewed and a woman—and I believe this is representative—told one mayor being interviewed: I am going to vote for you as a person, but not for your party. It is the quality of the person for which the vote was being cast, not for his political party.

[Ricketts] Mr. President, Haya de la Torre [former Peruvian president] said in 1973 that municipal elections were a matter of vicinity and not a political thing. You are supported by the parties in that respect.

[Fujimori] I think those two concepts are now confused. I made a proposal in Nassau about the democratization of the political system in Peru and the whole proposal was well received. The speech was hard. In the beginning....

[Ricketts, interrupting] It was very....

[Fujimori, interrupting] It was hard-hitting in many aspects.

[Ricketts] It hit out at many promises?

[Fujimori] Promises of democratization.

[Ricketts] Of course.

[Fujimori] One of the concepts included was the idea of the election by area or by electoral districts, whatever you choose to call it, and which is practiced in many countries. It is not that democracy is more advanced, obviously it has its pros and cons, including the disadvantages of the brief period and what you mentioned. In any of the systems that we elect, however, those aspects will exist. What is important is that whoever is elected really represents his people. That is the intention.

[Ricketts] But the representative, Mr. President, first of all—whoever is elected, a senator or a deputy, according to our Constitution—is a representative not of his people, but of the nation as a whole, of the Peruvian people. He must think as such. Otherwise, he would be a mere actor. In Lima he is a national representative, and as such, there is no imperative mandate over him, not even from his people. Nobody can coerce him. Nobody can request his resignation. He cannot resign from his post, if the concept does not exist that he is subject to an imperative, a mandate. There would be no use in having a Congress, Mr. President, because all its members would be constantly pressured by the people. They would be nuncios, not deputies; they would be messengers of the people, right?

[Fujimori] It would not be a question of their being pressured by their people, by their electorate, but we must not stray from the concept of a representative of the people.

[Ricketts] That is right.

[Fujimori] And it is to the people to whom they must answer. If there are too many people at the national level, there probably cannot exist that framework to take him to....

[Ricketts, interrupting] The people are Peru, the nation.

[Fujimori] Undoubtedly. If the representative is from a smaller district, then obviously the people are going to keep more abreast and have better communications. The concept of representation, I believe, is fundamental and we must not set that aside.

[Ricketts] What is clear, Mr. President, and that is my question, what is the scope going to be? The thing is that the smaller the scope, the more the minority loses its rights. The small scope favors the majority and diminishes the minority. In this case, many political parties are represented in the Congress by this electoral variety. If, for example, the extreme is constituted of 80 electoral districts for 80 deputies, whoever has the majority of 30 or 20 would take them all. That is undemocratic because a democracy is not only the majority, but also the minority. How will you ensure the correct representation of minorities in the election? That is my question.

[Fujimori] I do not have this defined. This is a new experience. That is why we are picking up the legislation of other countries, where there is this electoral process by multiple districts. Undoubtedly, we have to be democratic and have minority representation. We totally agree on that.

[Ricketts] Of course, but in Great Britain, for example, where there are multiple districts, Mr. President, the House of Commons has more than 600 deputies. You want a chamber of 80.....

[Fujimori, interrupting] Undoubtedly not 600 or 240 [words indistinct] [laughter].

[Ricketts] Another truly important issue is the dialogue. It has been taking place with some success, but I wish to echo the opinion of the parties, not only of one but several. They do not fully trust the support you are currently giving the prime minister. They wonder whether the prime minister is, with absolute certainty, speaking on behalf of the government.

I think this situation creates confusion about the dialogue. To what extent will everything that is being done be supported and to what extent we can assume that the prime minister himself will continue this task until, for example, the Congress is inaugurated?

[Fujimori] There are continuous communications between the prime minister, all the ministers, and me. Actually, in this initial phase, the president of the Council of Ministers has basically gathered ideas and assessed the various proposals that will be presented to the Council of Ministers to make them compatible and to reconcile them with the government's position. I think there are no great differences that will prevent us from reaching a consensus.

[Ricketts] Their fear is that as they talk to the prime minister....

[Fujimori, interrupting] But tell me specifically....

[Ricketts, interrupting] They think that you do not-...[pauses] perhaps do not....[pauses] It is believed that you have many duties, that you have no time to talk with everyone, that you have to delegate duties. They want assurances that you will fully back everything they say or the agreements they reach. In other words, that the prime minister is indeed speaking on your behalf.

[Fujimori] There is of course a representation there, but in this initial phase we have held this multiparty dialogue and this does not mean that we will be able to reach agreements with one or any other party. We must make an overall assessment. For example, on this issue of the multiple or sole district, we must gather all existing proposals. We cannot jump ahead of ourselves by reaching agreements now.

[Ricketts] In other words, in the second phase the government and you—also with the parties—will hold talks and we can expect final decisions by consensus on the elections, composition of the assembly, and so on? Is that the path you are following?

[Fujimori] There are two aspects that will fully assure the political parties—and I am sure the citizens are perceiving this—that dialogue will take place despite our differences—and I want to be frank about this—this will not prevent the continuation of the dialogue: One is freedom of the press. The Inter-American Press Association [chuckles] has come to Peru worried about the situation and has been surprised to find out that there is full freedom of press here, more than in many Latin American countries. Second, we have not issued and promulgated the decree law establishing the framework for the Democratic Constituent Congress. Before they wanted me to define things but defining things would mean making impositions.

[Ricketts] That is right.

[Fujimori] We have preferred to not establish that framework, to not issue that decree law, and instead to listen to the proposals—not only from political parties—but also from popular organizations and the general public. All this will be filed, assessed, and conclusions drawn and then incorporated into the decree law. Thus, the framework has been established.

[Ricketts] I have a brief question....

[Fujimori, interrupting] I know what you want to know: You are worried about my being critical at times, right? As I was during my speech....

[Ricketts, interrupting] That is right, you were too harsh during your most recent speech. We found it too harsh.

[Fujimori] Analyze that speech and the one I delivered in The Bahamas. Tell me whether there are profound differences. In The Bahamas I spoke before an international forum. I have always been critical of the system, of the so-called party system....

[Ricketts, interrupting] It could be that in both instances you attacked the parties with the same harshness. However, Mr. President, the parties are worried that you invited them to a dialogue and are the same time attacking them. This creates uneasiness among the parties. Are you aware of this?

[Fujimori] Well, but differences can exist in a dialogue and interesting conclusions will emerge from that discrepancy.

[Ricketts] We are finally reaching the topic of dialogue and liberty, Mr. President. I would like to ask you, since time has flown by, I would like to ask you one last question: Dialogue is taking place directly, but fundamentally it is taking place in Peru in the media. I would like to offer our program to host an important and very open dialogue between you and the media, with directors or prominent persons of diverse media.

[Fujimori] Serious media.

[Ricketts] Yes, serious media; the leading and most important media.

[Fujimori] Because there are serious and not serious media.

[Ricketts] Well, with the leading and most important media of the country where everyone, not only I, will have the opportunity to ask you questions, live and direct from the Government Palace. Will you accept this dialogue?

[Fujimori] I would be delighted.

[Ricketts] Next week?

[Fujimori] No, not next week because I have commitments with other channels, but at a later opportunity. I am interested.

[Ricketts] Then we have a later opportunity pending?

[Fujimori] Yes, I would be delighted to clear up all of these aspects, all of these discussions, and get to the core of things. The people realize that in the last few weeks, in the last few days, the discussions have centered on matters of form, not on issues. The people ask: What proposal do these political leaders bring to the people? Simply Byzantine discussions. The people ask: Why do they not get to work, why do they not bring proposals that signify sociopolitical improvements? They have absolutely none. So, I will be delighted to participate in such a dialogue.

[Ricketts] Our next dialogue, then, Mr. President, will be an in-depth dialogue.

[Fujimori] I would be delighted. Thank you very much. Thank you and good night.

President Cited on Banks, Taxes, Extradition

Bank To Guarantee Savings

PA1007191592 Lima Global de Television Network in Spanish 0100 GMT 10 Jul 92

[Text] Good evening. President Alberto Fujimori has issued orders for the Continental Bank to return within a 15-day period the savings of the Peru and the Santa Rosa mutual companies. The president, who made this announcement after a meeting at the Superintendency of Banks and Insurance, said the Continental Bank would issue savings cards according to an established list, and the savers would be able to cash these cards within 15 days. The mentioned mutual companies are being liquidated. Fujimori said the measure is an attempt to diminish the negative effects of the administrative mismanagement by the mutuals.

President Fujimori paid an unannounced visit on the offices of the Superintendency of Banks and Insurance. After meeting with Superintendent (Luis Cortabarria Chequeli) for more than half an hour, the president gave a short news conference in which he announced that savings in Mutual Peru and Mutual Santa Rosa that do not exceed 4,300 soles will be paid shortly.

[Begin Fujimori recording] We have agreed to take the following steps: First, the special Superintendency delegates will prepare a list of the people who have less than 4,300 soles in savings. This is the first phase, and most people are in this category.

Next is the phase that required coordination with the Executive Branch, as the Continental Bank belongs to the associated banking sector that is controlled by the government. The Continental Bank will then issue savings cards in accordance with the list supplied by the Superintendency.

We also agreed that the Continental Bank will exchange the cards for the original cards issued by the Peru and Santa Rosa mutuals, which are in the process of being liquidated, according to a schedule and within a 15-day period. The new Continental Bank saver can freely keep his savings in that bank, or he can partially or totally withdraw his money from the bank. [end recording]

The president also said the investigation of those persons allegedly responsible for the mismanagement of these organizations that led to the bankruptcies as well as of former Superintendency officials who were negligent in controlling the mutuals will be continued to its ultimate consequences.

[Begin Fujimori recording] The investigation will be continued to its ultimate consequences. There has evidently been negligence in controlling the mutuals. This control was the responsibility of the Superintendency. Control was not exerted in a timely manner. There have been irregularities and mismanagement. Prior to the change of government, the mutuals even began to change their regulations for electing board members. Thus, the members extended their mandate, and this prevented the prompt discovery of many irregularities. [end recording]

Continuing his tour, the president visited the Housing Bank and held a long meeting with the members of the bank's liquidating commission. They discussed the future use of the National Housing Fund [Fonavi] resources in the reorganization programs.

[Begin Fujimori recording] I have instructed the members of the Fonavi commission to present an alternative within the shortest possible time, to enable us to use these resources to finance both existing programs and programs that could presented in the future. This will allow everyone to benefit from the Fonavi contributions. [end recording]

Tax Elimination Announced

PA1107040492 Lima Global de Television Network in Spanish 0100 GMT 11 Jul 92

[Text] At the close of the 8th Annual Management Congress organized by the Peruvian Business Administration Institute [IPAE], President Alberto Fujimori announced the elimination of 13 taxes because they are indirect and yield poor revenue. He also announced

several measures to support banks, which must institute drastic programs to streamline resources and personnel.

He said the judicial branch will continue its investigation to determine who is responsible for the bankruptcy of Mutual Peru and other financial institutions. In a clear allusion to former president Alan Garcia, who sought asylum in Colombia and on 10 July was summoned by Peruvian authorities to answer charges regarding his alleged participation in Mutual Peru's debacle, Fujimori added that he will back the investigation regardless of who is implicated and he will extradite those responsible if necessary.

[Begin Fujimori recording] The judicial branch continues its investigation, regardless of who takes the fall. If it is necessary to extradite someone, we are willing to cooperate. Can you imagine? Those in power allowed depositors' funds to be stolen. At present, there is a new tax policy that makes it possible to separate our fiscal resources from those that originate from crude oil. To understand this, we must express it in macroeconomic terms. As of June this year, we collected a record amount of taxes, as much as $418 million. The collection of ITB [expansion unknown] increased by 19 percent over the previous month. The collection of the selective tax on fuel consumption has been reduced from 29 percent in May 1991 to 16 percent at present. We have handled this redistribution process calmly. Although it presupposes sacrifice, it can lead to a healthy, modern, and safer economy. This is also aimed at the elimination of 13 indirect taxes that yield little revenue and involve high administrative expenses. Those taxes will be eliminate as of 11 July, [end recording]

Fujimori also said the Inter-American Development Bank approved a $100-million loan to reorganize the financial system, 50 percent of which will be used to improve the banking infrastructure, and the other 50 percent to purchase electrical generators.

Bank Official To Be Extradited

PA1207043892 Lima Global de Television Network in Spanish 0100 GMT 12 Jul 92

[Text] President Alberto Fujimori said on 11 July the government will support efforts to achieve the extradition of Brian Jensen, former general manager of the Central Reserve Bank, and anyone else who is guilty of embezzlement against the country. Fujimori also ruled out the resignation of Sunat [National Superintendency for Tax Administration] Director Manuel Estela and said Peru will continue as a member of the Andean group, despite its differences with Venezuela. He confirmed that 13 taxes that are not considered technically feasible will be eliminated soon.

[Begin recording] [Unidentified Reporter] Will Brian Jensen's extradition be requested?

[Fujimori] Yes, of course. We will not only request his extradition, we will also request the extradition of [Hector] Neira, [Leonel] Figueroa, and—if they have fled the country, though I certainly hope not—[Jose] Mainza and Essai Trujillo. All these people are responsible for considerable damage against the people and the country. My government will take drastic measures and we will request their extradition.

[Reporter] Have you contacted the Costa Rican authorities on Brian Jensen's case?

[Fujimori] Yes. The Interior Ministry has established a direct contact through Interpol and the Foreign Ministry has also established contact.

[Reporter] Will the same thing happen with those responsible for the case of Mutual Peru and other financial organizations that have filed for bankruptcy?

[Fujimori] Certainly. We are working at the international level to catch those who embezzled the Central Reserve Bank deposits during the [word indistinct] administration.

[Reporter] Reports circulated on 10 July about the Sunat director's possible resignation because of his differences with the economy minister. Can you confirm or deny this information?

[Fujimori] I would not be surprised if there are differences because differences are discussed in this government to reach positive conclusions. It does not mean there will be resignations. I appointed Mr. Manuel Estela; he has my full confidence. Like I said on 10 July at the eighth management congress, we have obtained record revenues of $418 million. The most interesting thing is that we achieved this by increasing our source of revenues, meaning there are more taxpayers. Consequently, it would be totally unjustifiable for Mr. Estela to leave his post. In fact, the whole country wants him to stay.

[Reporter] President, on 10 July you announced the elimination of 13 taxes that are not technically feasible. Can you tell us which ones they are?

[Fujimori] Yes, they are taxes with funds destined-....[pauses] which generate scant revenues. In fact, some of them involve only $40,000—others $1 million—per year. They were not worth the time spent filling out the forms. The government will abolish all those taxes and replace them with direct transfers to the treasury. I think this is much more practical and the enterprises that were affected by these taxes will be spared.

[Reporter] What can you tell us about your trip to Europe and Spain?

[Fujimori] It involves a series of taxes with fancy names. It would take too long to mention them. I do not have the time.

[Reporter] What can you tell us about the trip to Spain and your participation in the Latin American summit?

[Fujimori] Well, that is scheduled for the second half of July. [end recording]

Fujimori To Meet With Borja During Summit

PA1207130792 Lima Global de Television Network in Spanish 0100 GMT 12 Jul 92

[Text] Less than six months after meeting in Quito, Peruvian President Alberto Fujimori and Ecuadoran President Rodrigo Borja will meet again. This meeting will be held in Madrid during the second summit of Ibero-American presidents, which will be held on 23 and 24 July. As everyone knows, Fujimori, after visiting Quito, has invited Borja to visit Peru more than once. The visit, however, was delayed for various reasons, the latest of which was Borja's recent heart ailment. Peruvian Foreign Minister Oscar de la Puente reported that the two presidents would meet in Madrid and that Fujimori would probably attend the inauguration of Sixto Duran Ballen, Borja's successor, on 10 August.

[Begin De la Puente recording] This is part of the official bulletin. President Borja has said that the Ecuadoran Government and people will feel very much honored by President Fujimori's attendance at Duran Ballen's inauguration. The relations between the two governments remain very good and very cordial. Although the transfer of power from President Borja to President Duran entails a change of power, the president-elect's remarks lead us to believe that the bilateral relations will continue on the same level. [end recording]

Dialogue Between Government, Parties Continues

PA1107031792 Lima Global de Television Network in Spanish 0100 GMT 10 Jul 92

[Text] The government dialogue with the political parties continued on 9 July with delegates from Parliamentarian Confraternity and Socialist Convergence. The event will conclude on 10 July with meetings with delegates from the Christian Democratic Party and the Higher Council of Private Enterprise [COSEP]. A meeting between Oscar de la Puente, Council of Ministers president, and all parties has been scheduled for next week.

Two other political organizations attended the round of talks with De la Puente on the penultimate day of the meeting called by the government. Former deputies Wilfredo Alvarez Valer and Edgar Teran, who created the Parliamentarian Confraternity movement and are dissidents from their own parties, also attended the meeting.

[Begin Alvarez recording] We have expressed the need to establish in the Constitution a plebiscite, popular consultation, and a referendum, which would be mandatory and is the citizens' right. That way the population would participate on a permanent basis in the government's decisions. We have also proposed that mayors be elected to five-year terms. We made it clear that it is necessary to elect mayors democratically within the terms stipulated by law. [end recording]

In the meeting, it was reported that President Alberto Fujimori would announce in his 28 July message the rules and mechanisms for electing delegates to the Democratic Constituent Congress, as well as for its operation, and the date for the municipal elections that could be held this year. The municipal representatives' terms could last five years.

The meeting was also attended by Senator Edmundo Murrugarra, who proposed that elections be held according to electoral regional districts.

[Begin Murrugarra recording] Through the revocation, a number of citizens collect signatures and demand that their representative return to the (?Senate), which is how the voters control their representatives. For that to happen, there must be small electoral districts. Therefore, we propose that each Peruvian province and every Lima district have its own representative. The crisis is not caused by the number of delegates to the legislature or because there are one or two chambers, but because it is impossible for the voters to control the person they elected. The person turns his back on the voters and obeys his party, not the demands of the people who elected him. That can be corrected by establishing provincial electoral districts throughout Peru and a district electoral circuit in Lima. [end recording]

De La Puente Cited

PA1107140992 Lima Panamericana Television Network in Spanish 1200 GMT 10 Jul 92

[Text] Foreign Minister Oscar de la Puente Raygada, president of the Council of Ministers, said he will insist on seeking a rapprochement with representatives of the Popular Action Party [AP] and the APRA [American Popular Revolutionary Alliance].

He said these organizations cannot be left behind in the dialogue for peace and development summoned by the government.

De la Puente said the first round of talks yielded very positive results.

[Begin recording] [De la Puente] There has been a rapprochement among all the groups involved in the dialogue and the government to pinpoint the issues on which we agree and postpone for further debate other issues that have not yet been solved.

[Unidentified reporter] Is it true that you will insist on a dialogue with the AP and the APRA?

[De la Puente] We will definitely insist on that because they cannot be left behind in a national dialogue for the country. I do not believe they will refuse attendance at the negotiating table.

[Second unidentified reporter] Do you think the work you have been conducting could fail due to the criticisms made by President Fujimori?

[De la Puente] I cannot give my opinion on that yet. Thank you. [end recording]

Parties' Absence Deplored

PA1207130692 Lima Global de Television Network in Spanish 0100 GMT 12 Jul 92

[Text] Holding municipal elections before the end of the year is again a possibility. Prime Minister Oscar de la Puente admitted this during a news conference at his office on 11 July. He said the dialogue with political parties will play a relevant role and announced a new timetable for the dialogue.

A communique read by De la Puente indicates the government's satisfaction about the successful conclusion of the first phase of its dialogue with political parties, but deplores the absence of the American Popular Revolutionary Alliance and Popular Action and urges them to reconsider their position.

[Begin De la Puente recording] The presidency of the Council of Ministers reasserts its invitation to these political groups so they may participate in the meetings. Their participation is needed even if it is to stop the government and other participating groups from approving procedures for the return to an institutional state without the contribution of their valuable opinions. [end recording]

The minister definitely ruled out the possibility of holding joint municipal and democratic constituent congressional elections. He implied municipal elections might be held before the end of the year.

[Begin De la Puente recording] The possibility is not ruled out, but we do not want to give our views because we must first meet with the political parties. The idea is for the government not to adopt decisions without holding consultations. This was the first pledge requested by all the organizations; and, by the way, the summons to elect a Democratic Constituent Congress indicates the conditions for the event should be specifically outlined. [end recording]

Oscar de la Puente also announced the timetable for the dialogue. Meetings will be held with labor unions and business organizations on 14 and 15 July; meetings will be held with professional organizations, the peace council, and the church on 16 July; and the government expects to talk with all the political parties on 18 July.

Navy Assumes Control Over Ports During Strike

PA1007194192 Mexico City NOTIMEX in Spanish 1844 GMT 10 Jul 92

[Text] Lima, 10 Jul (NOTIMEX)—The Peruvian Navy has assumed control of the country's ports due to the 48-hour strike decreed by approximately 25,000 fishing industry workers, who are demanding more economic benefits, it was reported on 10 July.

Julio Cuadros, secretary general of the workers, said the strike—which started on 9 July—is supported by a majority of the union members throughout the country's 14 ports; adding it has affected activities in that important area.

Nevertheless, the National Ports Enterprise (Enapu) said on 10 July that services are normal.

Cuadros reported the arrest of 10 workers on 9 July during a demonstration, adding it was repressed by Navy forces in the neighboring port of Callao.

President Alberto Fujimori's National Emergency and Reconstruction Government ordered the Navy to assume control of all the wharves to prevent the workers from paralyzing the port activities and carrying out demonstrations in the facilities.

The measure to exert pressure is a preventive nature and it will become more radical in a matter of days if our list of demands is not met, the labor leader said.

He explained the workers demand more economic benefits to lessen the impact of the high cost of living, which has turned Lima into the second most expensive city on the continent; to defend labor stability; and to protest against Enapu's privatization.

"We will fight for our just demands," Cuadros said.

Fujimori Promulgates New Fisheries Law

PY1007191992 Lima EXPRESO in Spanish 30 Jun 92 p A4

[By special correspondent Patricia Quispe]

[Excerpt] Tumbes—President Alberto Fujimori today promulgated the new General Fisheries Law [Ley General de Pesqueria] which, he stated, is strictly of a promotional nature for subsistence and high seas fishing, and which will benefit both businessmen and fishermen.

With this law there will be no need to sign government-to-government agreements in order to allow foreign fleets to fish in our waters.

Fujimori also announced that in order to achieve these goals his government will give all support to the fishing sector through the sale of equipment on credit and the construction of docks in our coastal bays.

He indicated that this will be done with resources obtained from granting licenses for the fishing of squid, which up to today has provided the treasury with $24 million.

Fujimori made these remarks after arriving after noon from the port of Pizarro, located some 15 km from this city. [passage omitted]

Defense Patrols Fight Shining Path in Ayacucho

PY1007193592

[Editorial Report] Lima LA REPUBLICA in Spanish on pages 14 through 16 of its 27 June issue carries a 2000-word article by Francisco Reyes on "successful actions" by peasant defense patrols throughout Ayacucho Department to free villages overrun by Shining Path terrorists. Reyes said that major townships like Tambo and Huanta contracted expert peasant defense patrol members to organize the people in the antiterrorist struggle. He noted that the war against terrorism has not concluded in the Apurimac Valley, "but that it was virtually freed from the Shining Path's strong dictatorship." He said that the defense patrol members have also tried to enter Sello de Oro, a Shining Path strategic zone in the Apurimac Valley, and Paso de Vizcatan, between the huge Ene Valley and the Huanta mountain range, which is considered the refugee of the top Shining Path leaders in the zone. He said that in the Ene Valley the defense patrol members "managed to free some 700 peasants and dealt a hard blow to terrorists." Reyes said that Antonio Cardenas Torres, president of the Antisubversive Civil Defense in the Apurimac and Ene Valley, reported that terrorists headquartered in Huamanga, the Shining Path's main refuge, must be defeated to completely free the Apurimac and Ene Valley, and that the peasant defense patrols have deployed to the Ayacucho mountain range and have already entered Huanta, Tambo, and La Mar. He said that according to Cardenas, "terrorists will be defeated in Huanta and in part of the La Mar and Huamanga later this year."

Uruguay

Gros Expresses 'Pessimism' Regarding Haiti

PY1107133992 Madrid EFE in Spanish 0300 GMT 11 Jul 92

[Text] Montevideo, 10 Jul (EFE)—During a meeting with the International Affairs Committee of the Chamber of Deputies, Uruguayan Foreign Minister Hector Gros Espiell has expressed his pessimism regarding the political situation in Haiti, and he emphasized the inefficiency of the embargo.

Gros expressed his "anguish regarding the little or no impact of the measures that were adopted" by the OAS and the EC after the 30 September 1991 coup that ousted Jean-Bertrand Aristide, the country's constitutional president.

The minister said that "the coupists continue in a firm position, and the embargo is inefficient."

The Uruguayan foreign minister also said that "there are no signs of a possible change in the short term."

When asked about the degree of responsibility of the international organizations in the case of Haiti, Gros said that "it is pervasive."

Economic Indicators, Inflation Rate Issued

PY1007173892 Montevideo EL PAIS in Spanish 2 Jul 92 p 2

[Summary] The government yesterday issued several economic indicators. "The June inflation rate totaled 2.69 percent, while the prices of domestic products over the last 12 months continued to decrease. The IPC [consumer price index] rate over the last 12 months totals 69.88 percent, an inflation rate that was last achieved in 1989." In June prices of foods and beverages increased by 1.96 percent; clothing 2.47 percent; housing 3.46 percent; and education 3.36 percent. "So far this year, the inflation rate totals 26.32 percent." In addition, in May, the government achieved a fiscal surplus that allowed it to neutralize the Central Bank deficit. In view of this and the surplus recorded by public companies, the government was able to achieve a financial balance in the public sector. Moreover, the unemployment rate in Montevideo department over the March-May period totalled 9.8 percent in comparison to the 10.6 percent unemployment in the previous quarter. However, the yearly unemployment rate is slightly higher than that of the same period last year when it totalled 9.5 percent.

Venezuela

Perez Expresses Satisfaction With G-7 Support

PA1007204792 Caracas Venezolana de Television Network in Spanish 0000 GMT 9 Jul 92

[Text] Venezuelan President Carlos Andres Perez has expressed satisfaction with the initiative by the leaders of the seven richest countries of the world to provide economic support for Latin America and Third World countries.

The president made these statements after dedicating the second stage of La Raisa neighborhood in El Tuy, which will benefit the noncommissioned officers of the National Guard and the civilian employees of the the Armed Forces of Cooperation.

[Begin Perez recording] It is very important that the group of the seven most industrialized nations of the world take into consideration the situation of our area and the need we all have for stronger democracy and its free institutions so that the group provides definite support for our country. This is the struggle we have been waging, and of which I am very proud. [end recording]

This housing development is being financed through a joint plan, supported by the National Housing Institute, the Savings Bank of the Armed Forces of Cooperation Employees, and the Foundation for Community and

Municipal Development, to establish a housing development that will benefit 450 families that are both civilian and military members of the Armed Forces of Cooperation.

Perez Distributes 900 Land Ownership Deeds

PA1107144892 Caracas Venezolana de Television Network in Spanish 0000 GMT 9 Jul 92

[Text] On 9 July, President Carlos Andres Perez distributed more than 900 land ownership deeds in Barinas as part of a large-scale process throughout the country. The president was accompanied by Jonathan Coles, minister for agriculture and livestock. This firm and formal process regulates land ownership in rural areas and is part of the Agriculture and Livestock Ministry's transformation plan.

[Begin Perez recording] This is a serious problem we have experienced for many years. Over the years, the precariousness of land ownership for peasants has become one of the greatest obstacles and one of the most negative aspects in the process of stimulating peasants into becoming better farmers [words indistinct] due to their uncertainty about ownership of the plot of land they received as participants in the agrarian reform. [end recording]

Defense Minister Denies Coup Rumors

PA1207153192 Caracas Venezolana de Television Network in Spanish 0000 GMT 11 Jul 92

[Text] There are always rumors about coups, resignations, and departures, which only produces concern and unrest.

Defense Minister General Ivan Dario Jimenez has commented on these rumors.

[Begin Jimenez recording] This is completely false. There are no such plans. If such plans exist, they are in the minds of people who have nothing to do with the Armed Forces or with the government. I do not see how a rightist or extreme-right coup could be in the making. [end recording]

Caracas Urban Security Command Chief Sworn In

PA1207193692 Caracas Venezolana de Television Network in Spanish 1600 GMT 10 Jul 92

[Text] Commander Orlando Claudio Gomez Mendez has been sworn in as the new chief of the National Guard Urban Security Command.

Interior Minister Luis Pienrua Ordaz and Governor Antonio Ledezma attended the transfer of command ceremony of this security agency, which was created through an agreement between the Federal District governor and the National Guard to protect Caracas and the residents of the littoral.